GREENE KING LIMITED

ANNUAL REPORT AND FINANCIAL STATEMENTS

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

REGISTERED NUMBER: 00024511

COMPANY INFORMATION

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STRATEGIC REPORT

STRONG UNDERLYING PROFIT GROWTH DRIVEN BY STRATEGIC INVESTMENTS

- Robust financial performance, with Group revenue up 3.6% and Adjusted Operating Profit up 9.8%, driven by strong peak trading and disciplined cost control
- Continued strategic investment, with £219.4m deployed delivering strong returns and improved performance
- Clear strategic action taken to adapt to industry-wide cost headwinds and evolving consumer demand, focused on delivering long-term sustainable growth through an integrated Managed Pub, Pub Partnership and Brewing model

Performance review

Continued revenue growth – Group revenues increased 3.6%[1] to £2,539.0m (2024: 3.2% to £2,450.5m) year-on-year driven by strong trading throughout the summer months and the Christmas period, as well as the performance of key strategic investments including the London estate such as The Railway Tavern, Liverpool Street, the Sherlock Holmes, St. James, and The Blue Posts, Soho. Almost 200 sites were invested in during the period, delivering record levels of returns.

Strong underlying profit performance – Group adjusted operating profit[2] increased by 9.8% to £217.4m[1] (2024: £198.0m), as a result of ongoing efficiency improvements and tight control to mitigate cost pressures. The group's reported numbers were again impacted by the uncertain longer-term outlook for the hospitality industry which contributed to a non-cash property accounting impairment of £125.6m (2024 property and goodwill impairment: £208.5m). As a result of the impairment the group reported a statutory loss before tax of £23.4m[1] (2024: £147.1m). The group continues to maintain a robust capital structure and balance sheet, with a strong cash balance of £132.6m at year end (2024: £104.5m).

Significant investments driving returns – Deployed total capex of £219.4m (2024: £199.3m). Most significantly, the group broke ground on its new £40m state-of-the-art brewery in Bury St Edmunds, invested over £10m across its London pubs, and more than £10m in digital innovation. The Group is already seeing an extremely strong return on investment, with Greene King's customer data and CRM supporting a 26.5% increase in engagement during 2025.

Ongoing breadth of the estate – Pub Partners continued to deliver strong growth and hit a milestone of 100 franchised pubs in December, reflecting ongoing investment in both the Hive and Nest franchised concepts. Hickory's, the Group's smokehouse brand, also opened 10 new sites in 2025 with roll-out expected to continue across the country, targeting a total of 65 sites by the end of 2028. Subsequently, both Pub Partners and Hickory's were recognised in the prestigious 2026 Publican Awards as Best Partnership Pub Company and Best Pub Operations Team.

Introduction of new pub estate strategy – Post-period end, in March 2026 Greene King introduced a new estate strategy focused on building an efficient system to focus investment, maximise profitability and support each site's growth to ensure the business is best set up to execute its 2030 group-wide strategy. This included evaluating the entire estate to recognise the most suitable sites for each brand. As part of this, c.300 managed sites were identified that would be better served under different models, with half of these sites expected to be converted to leased and tenanted, or franchise venues with the other half evaluated for sale over the medium-term. The new pub estate strategy sets the business up for growth in the long-term and underscores the importance of Greene King's integrated model, encompassing Managed Pubs, Pub Partnership and Brewing.

Delivery against 2030 strategic goals – Greene King introduced its group-wide strategy in 2025 and made good progress against its four key goals:

1. **Delivering outstanding customer experiences**: customer delight score reached an all-time high of 32[3], up from 26 in 2024, driven by a more engaged customer base and elevated in-pub experiences;
2. **Winning in our markets**: the Greene King App was relaunched as part of the wider and significant digital investment programme, with a new loyalty programme, resulting in more than one million new app downloads between September and December 2025;
3. **Leverage our commercial strength**: focused on optimising and improving efficiencies, including the introduction of 'innovation pubs', a programme designed to test a wide range of new products and smart technology in real-life pub environments; and
4. **Positive impact for all:** team turnover was at an all-time low with record employee Pride score of 86 out of 100. The business also reached a £25m fundraising milestone with charity partner Macmillan Cancer Support.

Clear focus for the future – Management is confident about the future of the business and the wider role of pubs in communities. Greene King continues to proactively manage what is within its control to deliver growth and mitigate industry wide challenges. This includes playing to the strength of its brands, ongoing investment across the estate and in digital and loyalty, and capitalising on new opportunities.

Nick Mackenzie, Greene King Chief Executive Officer, said:

"In 2025 we focused on what was within our control, ensuring disciplined execution against our strategy and targeted investment, while delivering outstanding experiences for our customers. Our performance reflects the quality of our pubs, underpinned by the strength of our operating model and the commitment of our teams who are the backbone of our business.

"However, there are still significant headwinds facing the industry and these will only grow as inflationary pressures rise once again. Long-term permanent reform from Government is therefore essential to ensure that unprecedented costs do not hold back the enormous potential of the sector. We will continue to relentlessly highlight the role pubs play in communities and the unique value they bring to both society and the economy.

"Looking ahead, we have a bold strategy. We remain focused on delivering outstanding customer experiences, winning in our markets through our commercial strength, and ensuring we have a positive impact, both with our team members and across communities in the UK. We are building a resilient business that is well-positioned to navigate the challenges and deliver long-term sustainable and profitable growth in the years to come."

[1] 52 week basis metrics: group revenue +1.4%, group adjusted operating profit[2] £209.9m, statutory operating profit £28.9m. See page 70 for further details on the 52 week basis.
[2] Adjusted measures exclude the impact of adjusting items, for details see APMs on page 71.
[3] Customer delight scores built from digital survey results following visits to our pubs.

Purpose

Greene King is one of the country's leading pub and brewing companies with over 2,500 pubs, restaurants and hotels across England, Wales and Scotland dedicated to pouring happiness into lives.

Review of the business

The presented performance covers the 53 weeks to 04 January 2026 and is compared to the previously reported and audited, 52 weeks ended 29 December 2024. Therefore, where relevant, to allow a meaningful year on year comparison a 52 week basis has been presented for the period ended 04 January 2026, for further details page 70. The annual report has been refined in the current year to deliver a shorter and more focused report to align with the group's focus on efficiency.

The composition of the group's divisions changed at the start of FY25 which meant that Partnerships & Ventures was no longer a standalone division, and the group moved from four divisions to five: Greene King pubs; Destination Brands, Ventures, Pub Partners; and Brewing & Brands. The new structure simplified and strengthened the business and supported the group's long-term plans. Further details are provided below.

Greene King pubs

Greene King pubs is our mainstream pub brand consisting of over 840 pubs, with a clear ambition to be the Nation's Most Loved Pub Brand. These Greene King and Belhaven pubs are located in the heart of communities, high streets and cities across England, Wales and Scotland, providing hospitality and a home away from home to tens of thousands of customers every day. The Greene King and Belhaven brands have a rich history and are a favourite among consumers. We want to build on this to create a more distinct Greene King pubs brand which heroes our great people, fantastic pubs, outstanding experiences and high-quality, own-brewed beers. Greene King pubs has a unique identity and a clear role to build lasting value over time.

Destination Brands

Destination Brands consists of over 560 pubs and represents a portfolio of distinct brands that provide valuable and memorable experiences across various market typologies and occasions within the value and mainstream markets. Each of our brands maintains a distinct purpose and role within the overall portfolio. Our pubs and restaurants serve as a place for friends, families and communities to come together, offering great service, quality, and affordability for both dining and drinking occasions.

Our focus remains on prioritising the customer experience. We aim to deliver exceptional customer satisfaction through continuous brand development, striving for operational excellence, delivered through high performing teams, and leveraging digital platforms whilst ensuring our estate evolves with investment to preserve the inherent value of our assets.

Ventures

Our Ventures businesses operate over 140 pubs, restaurants and hotels in growth segments in the market, outside of Greene King's core pub offers and benefit from leveraging the expertise and scale of the group. The division is made up of Metropolitan Pub Company, Hickory's, Hotels Group and Crafted Pubs.

Pub Partners

Greene King Pub Partners operates over 980 leased, tenanted and franchise pubs across England, Scotland and Wales with independent business partners. The business prides itself on being the UK's leading partnership pub company and has won best leased and tenanted pub company at the coveted Publican Awards six times. As a trusted business partner to its licensees, Greene King Pub Parters enjoys an industry leading 98% occupancy rate in its pubs and has an average tenant tenure of over eight years.

Brewing & Brands

Brewing & Brands brews, sells and distributes a diverse portfolio of beers manufactured from its two distinct breweries in Bury St Edmunds and Dunbar, in addition to wholesaling other brand owner products into various markets. The business supplies drinks into the entire Greene King estate, as well as trading with external customers through multiple different selling channels spanning the on trade, off trade and export markets.

Key performance indicators

The group uses a balanced scorecard, called the Dartboard, to assess the performance of the group. There are 15 key performance indicators (KPIs) reported in the Dartboard that are structured around five pillars which promote our strategic objectives around people, operations, customers and pride, as ways to target sustainable financial outcomes. To demonstrate how we measure the performance of the business, five of the group's KPIs have been set out in the table below, and the movement year on year is discussed above. A large number of the KPIs are measured against budget or an internal or external metric, but to demonstrate how we measure the performance of the business, one KPI per pillar has been set out and commented on in the table below. The KPIs selected are those that have most relevance and meaning to an external reader based on how the KPI is measured.

KPI	**2025 (53 weeks)**	2024 (52 weeks)	
Adjusted operating profit	**£217.4m**	£198.0m	Adjusted operating profit is reconciled on page 20, see performance review on page 3.
Free cash flow	**£101.3m**	£12.6m	Free cash flow (FCF) is reconciled on page 71. The group generated £101.3m of FCF primarily driven by strong underlying profit performance delivering £378.3m EBITDA and an adjusted working capital inflow of £19.6m whilst investing £156.6m in core capex and after receiving a tax refund of £9.0m, paying £94.6m of net interest and making £54.4m of lease liability repayments.
Group sales (year on year)	**3.6%**	3.2%	Sales growth or decline measured versus the prior year, see performance review on page 3.
Sustainable engagement	**86%**	85%	Measured using a sustainable engagement model, which is based on three questions in the internal engagement survey. The metric has seen an improvement year on year reflecting the group's continued focus on its ambition to make Greene King an outstanding place to work.
Safety & compliance	**100%**	100%	Measured on the overall effectiveness of the group's key safety metrics across managed houses, Pub Partners and Brewing & Brands. E.g. Safe Start for Pub Partners. The group's safety & compliance metric remains at 100% reflecting the group's continued focus on safety & compliance in its operations.

In 2026 the group's Dartboard has been refined to align to the group's new strategy, and to reflect new key performance indicators for the business following the investment in digital innovation and the roll-out of the group's loyalty programme. The revised Dartboard sees the number of metrics reduce from 15 to nine which are focused on the group's four strategic goals.

Section 172 statement

Under section 172 of the Companies Act 2006 the directors of the company are required to act in a way which promotes the long-term success, and protects the reputation, of each company within the group and in doing so to consider the interests of the company's stakeholders. This has involved appropriate engagement with the company's shareholder, CK Asset Holdings Limited (CKA), a limited liability company incorporated in the Cayman Islands, registered in Hong Kong, and listed on the Stock Exchange of Hong Kong Limited, via attendance at company board meetings which focused on engagement with our stakeholders, including:

- **Team members –** Our people are our greatest asset with an average of over 38,000 team members employed across the group during the year. Regular reports about what is important to our team members are made to the board ensuring consideration is given to their needs. There are many ways we engage with and listen to our people including forums, listening groups, face-to-face briefings, internal communications and Kingdom (our team member app). A key performance indicator is our employee engagement survey, which consistently sees response levels above industry norms, demonstrating the trust our people have in giving true feedback and an acknowledgement of our commitment to act on the results. The company is committed to treating all team members fairly and equally and will endeavour to provide workplace adaptions and training for team members or candidates who have a disability and team members who become disabled during their employment. Our Inclusion and Diversity Framework ensures the equal treatment of all employees, and our disability agenda is further supported by an Employee-Led Inclusion Group (ELIGs), Ability, that raises awareness and support for all employees living with visible and non-visible disabilities.

  During the year the board supported the investment in a new HR and payroll platform, Workday, and a new people case management system, Empower. Our ELIGs provide an important forum for the communities they represent and highlights this year included a menopause partnership with Henpicked by our Greene Sky ELIG, which represents women, and the receipt of an award from WiHTL (an organisation devoted to increasing inclusion across Hospitality, Travel and Leisure) by our Unity ELIG, which represents ethnic minorities, for Most Impactful Employee Resource Group. In addition, Nick Mackenzie, CEO, was named The Most Inclusive Group Chief Executive Officer in Hospitality, Travel and Leisure, for his ongoing commitment to promoting inclusion and diversity at Greene King and across the sector.

- **Customers –** Our purpose is to Pour Happiness Into Lives. The board is given details of relevant customer insights based on a number of inputs from customer surveys, market data and forward-looking horizon scanning exercises. During the year we invested over £10m in digital innovation including the relaunch of our app with a loyalty and reward programme to incentivise repeat visits, resulting in more than one million new app downloads between September and December 2025. Our customer delight score reached an all-time high of 32[2], up from 26 in 2024, driven by a more engaged customer base and elevated in-pub experiences. For the second year running we have achieved a nationwide Best Bar None accreditation, delivering best practice in customer and team members' safety and welfare in all of our managed pubs, with a 100% pass rate.

- **Suppliers –** Building strong relationships with our suppliers is one of the keys to our success. During 2025, we improved our repairs approvals process thereby increasing our contractors' 'first time fix rate' reducing travel time and return visits. Following the launch of our supplier sustainability engagement platform in 2023, Greene King Engage, we continued to enhance our interactions with suppliers. This included initiatives such as the Science Based Targets Deforestation Campaign, decarbonisation ambition and human rights due diligence, underscoring our commitment to sustainability.

- **Tenants and franchisees –** Greene King Pub Partners regularly engages with our tenants, lessees and franchisees and provides support to enable their success. In 2025, with the support of the board, Pub Partners continued the growth of its franchise business supported by the roll out of its Hive and Nest pub franchises reaching a milestone of 100 franchise sites in total, including nine sites in Scotland for the first time. The House of MOBO pub was also opened in South London to celebrate Black culture.

- **Others –** The group has a secured financing vehicle with bonds listed on the Irish Stock Exchange. Biannual reports on the financial performance of the vehicle are made available to bondholders. An annual investor presentation takes place following the publication of the group's annual report to update bondholders on the group's performance and strategy. The group has two final salary pension schemes, both of which are closed to new members and future accrual. The company's Director of Group Finance engages proactively, including via meetings, with each pension scheme trustee board on a range of matters, including triennial valuations, funding levels, journey planning as well as future investment strategy.

- **Our impact on the community and environment –** We are proud to engage extensively with the communities we serve, often at a local level relevant to each location. We have worked with the Ministry of Justice regarding programmes to encourage prison leavers back into the workplace. Our Chief Executive Officer, Nick Mackenzie, also sits on the government's hospitality sector council chaired by the Department for Business and Trade minister responsible for hospitality. Nick Mackenzie also co-chaired the Licensing Taskforce with Gareth Thomas of Department of Business and Trade resulting in recommendations to set out a pragmatic route to modernising the licensing system and continued as Chair of the British Beer and Pub Association, the trade body which represents the voice of the sector, and the business continues to be a member of UK Hospitality.

  We engage with the government, politicians, and regulators providing insight and assistance on policies that impact the business. In 2025 we launched a campaign to highlight the damage that excessive business rates were doing to pubs across the country and calling on the Government to deliver on its promise to rebalance rates that pubs pay versus other sectors. We drafted a report: "Growth on Tap: Reforming Business Rates to Revive the Sector" and followed this up by coordinating a letter signed by 600 of our pubs to the Chancellor calling for meaningful reductions in business rates at the Autumn Budget.

  During 2025, we removed airfreighted fruit and veg produce from our menus and hosted the Zero Carbon Forum's CEO Roundtable to discuss the road to net zero. We collected 240,000 tubs - a record number - during our annual Tub2Pub recycling initiative, which equated to 27,990kg of plastic avoiding landfill, and from the sale of the recycled plastic granules raised almost £11,000 for Macmillan Cancer Support. Other examples of community engagement were our activity with charity partners such as Macmillan Cancer Support, which raised £1.6m for their support line and over £4m in total in 2025, and our grassroots sport support through our Proud to Pitch in programme. To acknowledge community heroes, volunteers and those spending Christmas by themselves we gave away around 3,800 meals at our 'Community Tables', and those working a shift on Christmas Day. In collaboration with Macmillan Cancer Support we created a powerful short film inspired by real-life experiences to support men's mental health during prostate cancer awareness month.

Principal risks and uncertainties

Greene King follows a standard methodology used in risk management based on ISO31000. The group risks are reviewed quarterly by the executive board providing improved collective oversight of the group's principal risks. Each divisional executive team and each functional head is responsible for identifying and mitigating risks within their sphere of responsibility. The executive board and some members of our leadership group have been through two horizon scanning exercises in the last three years to deep dive a total of five disruptive scenarios as well as look at more general areas of risk. The output of these events has provided a view of both opportunities and threats which we have fed into our strategic planning process.

Risk Area	Impact on Greene King	Mitigation
Technology: • Identification and adoption of emerging technologies • Digital Enablement • Information Security	Increased costs compared to our competitors, poorer service provision, reduced customer satisfaction, reduced revenues and a loss of market share. Ineffective and inefficient use of data assets and/or data loss or breach.	We have developed policies, guidance and governance to support the successful integration of new technologies and AI into our business using industry standards. A 2025 digital technology roadmap was developed and agreed covering all digital products. We have continuous improvement processes in place for websites, bookings, app and customer engagement programme. AI implementation use cases were identified and in 2025 we began to see delivery of AI enabled tools such as Greene Genie our internal chat bot. We have a mature approach to information security using the National Institute of Standards and Technology (NIST) framework and continuously monitored our, and our suppliers', cyber defence and recovery. We continued to protect our data and our customers' data with strict access controls and segregation. We protected privacy through data privacy notices and provided a clear opt out option for our customers. Protection of data was a key component of any of our digital developments. In 2025 we completed the segregation of corporate and managed pubs network earlier than planned and continued to review our approach to cyber resilience including deep dives with our critical third party suppliers.
Finance and controlling costs: • Operational Cost efficiency • Financial Health	Financial stress within the company and a loss of confidence of our stakeholders.	We have continued to manage prudent levels of headroom against our borrowing facilities and undertake cash flow forecasting to ensure potential liquidity shortfalls can be identified and managed. The business continuously identifies and reviews operational cost efficiencies to ensure cost control in the business and to allow the group to deliver strong profit performance and manage the cost headwinds faced by the hospitality industry.
Asset Management: • Safe and Sustainable Brewing • Maintaining and Optimising Asset Value	Serious injury to personnel and/or inability to produce beer or packaged beers at our breweries. Injury to our teams or customers in our venues, poor customer experience, reduced revenues and depreciating asset values.	We continued to invest in both the Dunbar and Bury St Edmunds breweries replacing ageing equipment and improving our operational processes and ensuring the safety of all our operational teams is maintained. In 2024 we completed the transition to our new distribution centre in Bury St Edmunds and received planning approval for the development of a new state-of-the-art brewery next to our new distribution centre. The new brewery build commenced in 2025 and is planned to be operational in 2027. We reviewed and improved our process for assessing investment/acquisition including criteria and weighting on areas such as environmental, accessibility, segmentation fit, and return on investment. We are moving some of our maintenance processes to proactive rather than reactive and training our pub teams on preventative cleaning. We have introduced a triage process for critical repairs to reduce misuse of 24hr critical repair requests.
Customer Offer: • Strong Relevant Brand Portfolio • Excellent Customer Service • Food Strategy • ESG	Non-competitive customer proposition, poor reputation scores and loss of market share having the potential to impact the group's revenues and profits.	We significantly changed how we approach brands and the overarching brand and marketing structure. The introduction of the brand tools hub, increased governance, an innovation lead, category management pilots and the service excellence programme all strengthened our brand building process. We sought to drive clarity and the distinctness of each brand in our portfolio. We also began our food optimisation journey including reducing menu complexity whilst retaining choice across our brands. We have revised our training modules to support front of house team members, developed pub leadership team brand specific training and enhanced our induction. We measured a 'delight score' as part of our balanced Dartboard and continued to track and report at a senior level our review ratings in comparison to competitors. To ensure progress against our Sustainability agenda we maintained an action progress report shared quarterly with the Sustainability Steer Co. We pride ourselves on our work within local and wider communities and our continuing support of our charity partners Macmillan Cancer Support and Only A Pavement Away.

Non-financial and sustainability related information statement

Energy usage and greenhouse gas emissions

The table below has been produced in compliance with the requirements of the Companies Act 2006 (Strategic and Directors' Report) Regulations 2013. In line with the validation of our near-term and net zero Science Based Targets with the SBTi, we are committed to reporting a full greenhouse gas (GHG) inventory, including scope 3. Our baseline year has been set as 2019, and this has been compiled with assistance from the Carbon Trust, using the GHG protocol standards. Due to mandatory reporting guidelines, we have quoted scope 2 emissions using both the location-based and market-based approach; Greene King opted to use the market-based approach in its near-term target setting. The location-based approach uses the average emissions from power generation for the UK power grid as a whole. A market-based approach uses emissions data from the specific electricity tariff used in operations, or if not available, the emissions from the residual UK grid average after removing renewable electricity sources that have been claimed by retail consumers.

Scope 1 relates to the direct emissions from the fuels we use in our breweries, pubs, restaurants, hotels and offices, such as natural gas and liquid petroleum gas. It also includes emissions from owned vehicles (including company cars) but excludes logistics where we outsource this to third parties. Refrigerant gas and F-gas emissions in respect of our breweries, pubs and restaurants are also included. Scope 2 relates to the indirect emissions associated with the generation of electricity consumed in our sites. We have used the UK government's Greenhouse Gas (GHG) Conversion Factors for Company Reporting for all scope 1 emissions. GHG emissions from refrigeration and air conditioning units have been determined using the simplified material balance method as described in the Environmental Reporting Guidelines 2013.

Scope 1 and scope 2 emissions (with the exception of the brewing process) are calculated using emissions factors published by the Department for Energy Security and Net-Zero. Brewing process emissions factors are an estimate from the Carbon Trust, who assisted in producing our 2019 baseline emissions. Natural gas and electricity consumption is captured via a mixture of smart meters and manual reads and collated by our third-party energy consultant. All data for propane, gas oil, and kerosene is provided to us by our suppliers.

Scope 3 relates to all other upstream and downstream activities present in our operations, and these emissions have been estimated using a combination of two frameworks. Firstly, where available, verified volume data has been multiplied by a sector specific emissions factor to calculate the annual emissions. The emission factors used are consistent with those used when calculating our baseline. Secondly, where volume data is not available, spend data has been multiplied by Environmentally Extended Input/Output data (EEIO) factors. Efforts are being made to improve this data quality, by engaging with our supply chain to understand their product specific emissions factors and engaging with a third party to obtain product emissions reports.

Greenhouse gas emissions

Our 2024 location-based greenhouse gas emissions were verified by Carbon Trust in accordance with ISO 14064-3. ERM CVS have provided Limited Assurance, in accordance with ISAE 3000 (revised), for our 2025 location-based greenhouse gas emissions.

- Our scope 1 and 2 emissions movements follow the changes in energy usage. For the second year, we are now reporting zero emissions in our scope 2, market-based calculation, due to 100% matching of electricity consumption with renewable certification. This is a key milestone in our journey to net-zero by 2040.
- We have made improvements in our scope 3 emissions reporting this year by increasing the use of our product specific emissions from suppliers for use in our calculations, namely in our drinks segment of category 1 and obtaining volume data directly from certain suppliers for use in our calculations, namely in our food segment of category 1.

Our targets for the year ahead remain the same. We will continue to work with our biggest suppliers to help us understand the footprint of their specific products, and more importantly, how we can collaborate to further reduce emissions in our supply chain. Energy efficiency actions have been disclosed in the Climate-related financial disclosures (CFD) below.

Emissions Scope	**Energy Consumption (kWh)[1]**	**2025**	% change to Baseline	2024	Baseline Year 2019
Scope 1	Natural Gas	**259,793,477**	-22.7%	289,038,270	336,169,441
Scope 1	Propane	**13,419,504**	-12.0%	15,215,218	15,250,749
Scope 1	Gas Oil (Heating Oil)	**1,235,899**	-19.9%	1,033,638	1,543,254
Scope 1	Kerosene	**727,518**	-30.1%	778,103	1,040,668
Scope 1	Diesel – Owned Distribution [2]	**2,947,561**	-	3,325,458	n/a#
Scope 2	Electricity	**286,328,652**	-13.7%	289,923,545	331,621,314
Scope 3	Diesel – Leased Distribution [2]	**34,139,664**	77.1%[5]	18,804,645	20,941,892
Scope 3	Diesel – Distribution Partners [2]	**34,020,881**	-	37,100,152	n/a#
Scope 3	Diesel – Business Travel [3]	**3,197,128**	-	3,432,380	n/a*
Scope 3	Petrol – Business Travel [3]	**3,295,784**	-	4,139,183	n/a*
Scope 3	LPG – Business Travel [3]	**16,674**	-	19,194	n/a*
Scope 3	Electric – Business Travel [3]	**605,756**	-	458,661	n/a*
Scope 3	Unknown – Business Travel [3]	**4,061,049**	-17.5%[6]	5,342,022	13,546,350*
	Total	**643,789,547**	**-10.6%**	668,610,469	720,113,669
	Like for like basis [4]	*609,768,666*	*-15.3%*	631,510,316	*720,113,669*

1 Due to the timing of our reporting, our energy usage may include a small number of estimated or disputed meter reads but represents the most accurate data we have at this time. This includes an ongoing meter issue at one of our breweries, where the data captured is being investigated. This meter made up 6.4% of our total gas in 2024 but down to 4.1% in 2025. The conclusion of the investigation will be considered in 2026's annual reports comparative. Our prior year comparative has been amended to reflect updating of meter reads.

2 Based on fuel data collated from our distribution depots & distribution partners. Greene King depot usage split between scope 1 and scope 3 based on the vehicle ownership status.

3 Based on expense claims for business mileage, and fuel card usage. Unknown vehicle types cover personal car usage.

4 Excluding diesel usage by our distribution partners – this data is unavailable for our baseline year.

5 Comparison to baseline is the total owned + leased distribution energy as 2019 data cannot be split.

6 Comparison to baseline is the total business mileage energy as 2019 data cannot be split by type.

*For the 2019 baseline the business travel energy consumption, across the different fuel categories is unknown and therefore has all been disclosed in unknown – business travel.

#This information wasn't available for the 2019 baseline year.

Emissions (tonnes CO2e)	Source of emissions	2025	% change to Baseline	2024	Baseline Year 2019
Scope 1	Natural gas	**47,531**	-23.1%	52,865	61,805
	Propane	**2,873**	-12.2%	3,258	3,271
	Gas Oil (Heating Oil)	**317**	-20.0%	265	396
	Kerosene	**180**	-30.1%	192	257
	Diesel - Owned Vehicles	**743**	-	838	n/a*
	Refrigerants	**4,559**	394.4%	4,259	922
	Brewing process	**2,913**	-30.3%	3,163	4,162
Total direct emissions scope 1		**59,117**	-16.5%	64,840	70,813
Scope 2	Electricity (location based)	**50,680**	-40.2%	60,029	84,762
Gross emissions (location based)		**109,797**	-29.4%	124,869	155,575
Scope 2	Electricity (market based)	**-**	-100.0%	-	125,026
Gross emissions (market based) [4]		**59,117**	-69.8%	64,840	195,839
Group revenue (excluding Pub Partners) (£m)		**2,331**		2,257	1,761
Scope 1 & 2 tonnes CO2e per £m turnover (market based) [1]		**25.4**	-77.2%	28.7	111.2
Scope 3 [5]	Purchased goods & services:				
	Food	**278,575**	-17.1%	283,498	336,135
	Drink	**139,571**	-33.3%	160,524	209,360
	Other	**143,022**	16.9%	133,816	122,333
	Total purchased goods & services	**561,168**	-16.0%	577,838	667,828
	Fuel production & transportation	**28,056**	-5.1%	29,177	29,243
	Upstream transportation	**73,164**	33.9%	72,353	54,654
	Waste generated in operations	**677**	-18.6%	746	831
	Business travel	**6,524**	153.7%	7,503	2,571
	Employee commuting	**20,621**	-10.4%	15,719	23,007
	Upstream leased assets	**494**	n/a*	455	-
	Downstream transportation	**5,491**	21.0%	6,649	4,539
	Disposal of sold product	**272**	-94.1%	320	4,628
	Downstream leased assets	**27,463**	-36.1%	30,448	42,946
Total indirect emissions scope 3[3,]		**723,930**	-12.8%	741,208	830,247
Total emissions (location based)		**833,727**	-15.5%	866,705	985,822
Total emissions (market based)		**783,047**	-23.7%	806,046	1,026,086
Group revenue (£m)		**2,539**		2,451	2,184
Total tonnes CO2e per £m turnover (market based) [2]		**308.5**	-34.4%	328.9	469.8

1 Using combined managed pubs and Brewing & Brands turnover. The vast majority of our scope 1 & 2 emissions are generated in these two divisions.

2 Using total group turnover.

3 Our total scope 3 emissions cover all categories with the exception of category 11b (indirect use phase emissions of sold products). This covers the usage of electricity to refrigerate our beers. As we have extremely limited data and influence here, we have chosen not to report on these emissions. If included, they would represent less than 1% of our total carbon footprint.

4 Greene King reports market-based emissions in accordance with the GHG Protocol standards and for 2024 applies the RE100 technical criteria, which reflects our purchase of renewable energy. As a member of RE100, our approach is informed by the RE100 quality criteria and GHG Protocol guidance. RE100 requires claims to use of renewable electricity to be based on generation occurring in the same market for renewable electricity that use is claimed in, this includes the single market in Europe. The revised RE guidance published in December 2022 provided an updated list of countries that make up the single market. Although the UK has been excluded from the list, the RE guidance provided grandfathering provisions for allowing for the UK to continue to be recognised within the single market in Europe and therefore we have applied the grandfathering provisions when calculating our market-based emissions

5 FLAG emissions have been calculated and are included in the total emissions, they have not been disaggregated in this report

Climate-related financial disclosures (CFD)

Governance

In 2024 we launched our new Sustainability Steer Co, which meets on a quarterly basis (as minimum) to be informed of new initiatives, give guidance, monitor, approve and discuss the progress made against our targets, commitments, risks and opportunities. The group is chaired by our Chief Experience Officer and includes the Chief Financial Officer (both are members of the executive board) and members from different teams including procurement, property, legal, risk, insights, efficiency and innovation and the sustainability team. This group reflects the material areas of focus in Greene King's sustainability programme and provides leadership and focus in their areas of expertise to enable integration of sustainability within the business. The Sustainability Steer Co is responsible for recommending the ESG strategy and sustainability initiatives for approval by the executive board. It is the responsibility of the Sustainability Steer Co. to review and manage climate related risks and opportunities, including monitoring progress against approved targets and commitments.

Risk Management

The following outlines the CFD risk analysis process followed in 2022. As there were no material changes in our business structure in 2025, and following an internal review, we maintained the process and identified climate related physical transitional risks from 2022. We will conduct our review of the process and identified risks again in 2026 and conduct a scenario analysis review in 2026. We conducted monthly reviews of the corporate Enterprise Risk Management system to ensure risk mitigation plans were upheld and included our CFD identified risks. Greene King's ESG related group level risk was reviewed and updated in 2025 to evolve with the maturity of our sustainability programme and the delivery of our SBTi aligned near term and net zero goals. This update did result in changes driven by our climate related risks.

Climate-Related Risk Identification

In determining the most material climate-related risks and opportunities, Greene King enlisted the assistance of a sustainability consultancy, the Carbon Trust, to ensure that the outputs were formed using a scientific, data-led approach. This risk identification was carried out at group level, and the steps taken to focus in on our top climate-related risks and opportunities (CROs) were as follows:

1. Interviews were conducted by the Carbon Trust and Greene King sustainability teams, with subject matter experts across the business. These experts were chosen across all areas of the Greene King value chain and aligned with our sustainability working groups.

2. For transitional risks, the data gathered from these interviews was overlaid against our carbon footprint data to identify hotspots in our scope 1 & 2 emissions, and scope 3 category 1 emissions (with food & drink procurement, and property services being the three main categories for higher scrutiny). We used our 2022 data for scope 1 & 2, but scope 3 data was taken from 2019 due to 2022 data being unavailable at the time of analysis. 2021 and 2020 were not chosen due to the impact of Covid-19.

3. Using both data sets, a long list of CROs was established, and the Carbon Trust identified those that could be quantifiably modelled in order to assess their materiality. Of the total identified CROs, 39% were fully assessed, 12% were qualitatively assessed and 49% were not assessed. Any unassessed CROs are reviewed periodically to understand whether a qualitative assessment can be made.

4. Using financial data from Greene King, and from external climate and financial models, the potential value of these risks was calculated. Overlaid with our risk-scoring matrix that considers financial impact, likelihood of occurrence, and velocity at which a CRO might evolve, a prioritised shortlist of CROs was produced.

5. This shortlist of risks was reviewed and approved by our ESG board, in 2023 (renamed Sustainability Steer Co in 2024).

It is our view that a full CRO assessment is unnecessary each year, unless there is a material change in the Greene King business structure or operating model. Our aim is that the CRO assessment will be completed every two - four years, albeit in the interim, materiality modelling can be updated using internal financial data. This will highlight any key changes in the risk profile of these identified risks, and any new or emerging risks will be highlighted by the business and working groups.

Management of climate-related risks, and integration into the organisation's overall risk management

The management of climate-related risks is consistent with the group's risk management processes, outlined on page 6, but we have additional controls in place to ensure that climate-related risks are embedded.

- There is a group level principal risk for embedding and integrating our ESG strategies. This risk is aligned to our group level goal to 'Provide a Positive Impact to All'.
- Environmental & Social (E&S) has been added as a group risk impact area, and our risk assessment matrix has thresholds defined. All group risks are assessed against this impact area, as well as divisional / functional risks where applicable.
- A risk appetite level for E&S has been defined to give guidance to the business on making decisions that impact E&S.
- We have begun to embed E&S requirements into key control processes (for example, brand development) to ensure our risk exposure is considered when making business decisions.

In 2026, our focus will be to further embed these identified risks into divisional and functional risk registers.

Strategy Overview

Scenario Analysis

As per the climate risk identification process above (point 4), we used two specific climate scenarios to assess the financial materiality of the highlighted risks, compared against a separate baseline scenario. These are explained below:

1) RCP 2.6 (Representative Concentration Pathway), which is likely to keep global temperature rise below 2°C by the year 2100. Described as a 'very stringent' emissions reduction pathway, this scenario will likely require high intervention in the form of regulation and potential carbon levies. We used this scenario to estimate the potential impacts of our transitional risks. This scenario was chosen after consulting with our advisers as it was representative of prevailing consensus on a likely scenario at the time of commencing the assessment.
2) RCP 8.5, generally taken as a 'worst-case' climate change scenario, with global temperature rise exceeding 3°C by the year 2100. We used this scenario to estimate potential impacts of our physical risks. This scenario was chosen to illustrate and assess the downside risk.

The baseline comparison scenario used was RCP 4.5, described as an intermediate scenario, with global temperature rise kept within 2-3°C. This scenario is estimated using current policies, and other scenarios were compared to this to establish the likelihood of risks occurring.

Short, Medium and Long Term Climate-Related Risks & Opportunities

Our risk identification and prioritisation exercise was reviewed against four timeframes: (1) present (< 3 years), in line with our current and next financial planning cycle; (2) short term (3-5 years), in line with our strategic planning cycle; (3) medium term (6-10 years), in line with our near-term SBTi commitments (2030); and (4) the long term (10 years+), in line with our net-zero commitment year (2040). The table below highlights our key transitional and physical risks, the mitigation plans currently in place, and the changes we intend to make to ensure that long-term risks are included in our strategic thinking. We believe that these mitigating actions sufficiently reduce the related risks.

Our transitional risks have been modelled against the RCP 2.6 pathway as it presents the most material impacts to our business model. The impacts of the RCP 8.5 pathway are deemed negligible (except for consumer expectations), because the potential costs (in the form of taxes & levies) are deemed to be in line with those seen in current policies.

TRANSITIONAL RISKS & OPPORTUNITIES				
Risk(s)	Description	Timing	Mitigation Strategy & Opportunities	FY2025 update
Carbon Pricing – Electricity (High Financial Impact) / Market demand for renewable electricity (Medium Financial Impact)	New regulatory developments on carbon pricing for utilities (electricity). / Renewables demand outweighs supply, increasing costs.	Short-term / Short to medium-term	Between 60-65% of our scope 1 & 2 emission are from the electricity we use in our pubs and offices. We have a commitment to procuring 80% of our electricity from renewable sources by 2025, and 100% by 2030. Opportunity: Greene King is exploring opportunities to safeguard our renewable electricity procurement on a longer-term basis, as well as fixing costs to mitigate against an ever-changing market. This involves a review of power purchase agreements (PPAs) and exploring self-generation options. We see a combination of PPA's and self-generation as key to removing our scope 2 emissions and securing our energy supply over the long-term. Our energy efficiency strategy will continue to explore opportunities to reduce usage, through behavioural change and testing of new technology. Our balanced scorecard includes energy reduction targets to ensure the entire business is focused on lowering consumption.	In 2025 Greene King maintained its RE100 global initiative, an organisation that brings together the world's most influential companies leading the transition to 100% renewable energy. Ensuring our commitment meets externally verified standards. In 2025 we matched 100% of energy consumption against specific certified renewable generation. We maintained focus on our energy efficiency strategy and in 2025 increased the coverage of Internet of Things (IOT) to 202 of our pubs to improve our tracking and monitoring of energy consumption.
Carbon Pricing – Gas & Other Fuels (High Financial Impact)	New regulatory developments on carbon pricing for utilities (natural gas and fuels).	Short-term	There are two significant areas that contribute to our scope 1 footprint: 1) Gas usage in our kitchens. We have identified the electric equipment needed to continue to deliver our different branded menus at the same high quality, and as part of our 5-year strategic plan, we have agreed an investment in making our kitchens 'electric ready'. This involves the upgrading of infrastructure and power supplies to our pubs. Gas equipment will be swapped for the electric equivalent on an 'end-of-life' basis, to not discard current equipment quicker than necessary. Efficiency savings will be sought to ensure that running costs are at parity. 2) Gas usage in heating our pubs and offices. Technology in this space is evolving rapidly, and therefore we are taking a measured approach. In FY23 we installed our first trials of an air sourced heat pump, and we subsequently installed a further two in FY24. We are also in discussions to trial hydrogen as an alternative source of heating. Current technology is expensive, especially the infrastructural upgrades needed to retrofit existing properties, and the variety of our pubs is extensive in both age and layout. A multi-faceted approach will therefore be needed to decarbonise property heating. Our energy efficiency strategy continues to explore opportunities to reduce usage, through behavioural change and testing of new technology. Our balanced scorecard includes energy reduction targets to ensure the entire business is focused on lowering consumption.	473 pub kitchens now operate as fully electric. We installed loft insulation in 60 pubs in 2025, which reduced heat loss and cut energy bills while improving comfort for guests. In 2025, we installed voltage optimisation into 194 managed pubs, which reduced electricity to an optimal level for connected equipment, saved energy, limited wear and tear and lowered carbon emissions. We have continued our research into alternative technology for heating in our pubs. Hydrogen is not currently a feasible solution due to our diverse pub location and structure. We continue to monitor technological progress and innovation in this space, and trial in our sites accordingly.
Carbon Pricing – Supply Chain (High Financial Impact)	New regulatory developments on carbon pricing that will impact our supply chain cost base (meat, dairy, beer and other drinks).	Short-term	This risk aligns to the hotspots in our scope 3 baseline footprint, namely the goods and services we sell in our pubs. It is assumed that cost increases in our supply chain will flow through into our business. Our initial strategy on scope 3 reductions focused on supplier engagement, and data collection. In Q4 of FY23 we held a supplier conference with around 200 of our largest food, drink, property, and IT suppliers, and during this conference we launched our new supplier platform, Greene King Engage. Our first step to removing emissions from our value chain is to collect information on our supplier base, firstly to understand their current sustainability journey, and secondly to begin to understand where collaboration may be possible. **Opportunity:** We are exploring investment opportunities with both existing and new suppliers to provide sustainable solutions. We believe that decarbonising our supply chain is a joint effort, and we are looking for opportunities to build partnerships that create long-term value.	The focus for sustainability in procurement in 2025 moved to formalising the exploratory work of FY24. By year end over 425 suppliers had completed our sustainability engagement questionnaires on our Engage platform which allowed us to expand from emissions to wider sustainability engagement. We also introduced sustainability clauses into the contracts of eight of our key drink suppliers and by December 2025 these were included in all new food contracts These clauses have been included to drive a collaborative approach with our suppliers in achieving our decarbonisation, deforestation and human rights commitments.

			The key to creating a low-carbon value chain is to ensure that sustainability is kept at the heart of business decisions, alongside financial and customer-led considerations. In FY23 we began to appraise investment decisions through the lens of emissions savings alongside financial returns. In FY24 we expanded this to ensure that all environmental and social impacts were considered.	In 2025 we added a Supplier Sustainability Manager to the team to increase the resource supporting our supplier engagement. We also conducted training to all buyers in the Food and Beverage categories to increase our teams base line knowledge in supplier sustainability requirements and support the conversations to improving our sustainability achievements.
	The evolution of customer expectations of business sustainability could impact group revenues.	Short, medium & long-term	The customer base in our managed pubs divisions is broad and varies by brand. It's important that we understand their views from an environmental perspective and therefore we undertake an annual insights exercise. These results are overlaid with our brand customer segmentation, and guidance is provided for brands to consider in their strategic planning cycle. **Opportunity**: These insights allow us to be market-leading in the issues that our customers are most concerned by. This data, paired with our detailed carbon footprint, ensures our investments are focused and gives us the agility needed to capitalise on opportunities to take market share. We believe that changes in consumer expectation will be similar in the RCP 8.5 pathway albeit may evolve at a higher velocity compared to RCP 2.6. It is our view that our mitigation strategy would remain the same in this scenario, and the annual insights exercise would be sufficient to keep us agile in our decision making. Our business-to-business (B2B) customers are equally concerned with decarbonising their own value chain and will expect Greene King to deliver on commitments. Customers are making it clear that tendering for business is no longer purely about product and price, but also about sustainability. We are transparent in any tender process about our progress, our future plans and investments, but also use it as an opportunity to educate customers on the differing claims of sustainability and carbon neutrality.	No material change. We continued to monitor our customer perception with an annual customer insights research project, which noted no material changes to our customers perception of sustainability and primary focuses for 2025 remained the cost of living.

Our physical risks have been modelled against the RCP 8.5 pathway as it presents the greatest physical changes to our world. While there will still be changes in an RCP 2.6 pathway, the impacts to our properties will be far less severe, similar in nature and frequency to what we are seeing in the world today. We therefore believe those incremental changes to be negligible on our current business model.

PHYSICAL RISKS & OPPORTUNITIES				
Risk(s)	Description	Timing	Mitigation Strategy & Opportunities	2025
Flooding	Changing weather patterns and sea-level rises lead to increased flooding events.	Short-term	Our asset database has been run through the Carbon Trust physical screening tool (WRI aqueduct – flood risk) to provide guidance on properties at increased risk from either coastal or riverine flooding, under a high emissions / RCP 8.5 scenario. We have identified the sites in our estate with some level of future risk, the majority being riverine risk. Aside from revenue risk from closures, and cost increases from repair works, our insurance premiums could also be affected if claims are more frequent. Our current property compliance programme proactively manages properties with a current risk of flooding and includes annual inspections, and remediation works needed to minimise these risks, including works to flood gates, car park gullies and sump pump maintenance. The analysis of future flood risks will be used to monitor the necessity of future flood prevention programmes, as well as liaising with local authorities (environment agency) to identify further works. **Opportunity:** The outputs from the flood risk analysis can be used as inputs for future divestment or acquisition decisions, to maximise the value created from such opportunities.	Ongoing flood defence works were completed on 'At risk' properties in line with our mitigation plan
Temperature Rise & Weather	Long-term temperature rises and	Medium to long-term	Both short-term weather events, and longer-term climate change (including temperature change) are presenting risks to multiple areas of the business:	Ongoing budget was allocated for enhancement of Air

Variability	unpredictable weather events impact 1) pub operations, 2) supply chains and 3) consumer habits.		1. Heat stress may affect staff productivity, especially those working in our kitchens. This might necessitate the review of our cooling systems and potentially lead to additional capital investment. 2. Supply chains may be affected (for example, from droughts), disrupting the availability of product sold in our pubs and to our customers. 3. Increased changeability in weather patterns such as heatwaves followed by heavy rainfall can lead to localised flooding. The mitigation of this risk by teams from across our business. 1. Our property teams are tasked with ensuring that the pub environments our team members are working in are fit for purpose, and fully compliant with legislation. They liaise regularly with our operations teams in a matrix working structure to ensure we have visibility of emerging issues and can react in an agile manner. 2. Our supply chain and procurement teams are responsible for continuous availability of product within our businesses, and any disruptions from climate related incidents will be managed proactively in a similar way. 3. The number of brands within our business ensure that we are diversified enough to mitigate changeable weather. We will continue to review our brand portfolio in line with changing consumer habits especially in the face of more volatile weather events. **Opportunity**: We continue to invest in the outdoor spaces of our pubs. As temperature continues to rise in the long-term, the appetite for using these spaces will only increase.	Conditioning in impacted sites. Protected covered space was allocated where possible throughout the investment cycle
Water Scarcity	Prolonged periods of drought affect the availability of water.	Medium to long-term	Our mitigation strategies are focused on areas that we can impact internally: Significant investments into our breweries since 2019, including new centrifuges in our Bury St Edmunds brewery and a new water treatment plant at our Dunbar brewery, have improved our water efficiency. We are trialling the use of smart meters in fifty of our pub sites. **Opportunity**: The output of our smart meter trials can be used as inputs for future divestment or acquisition decisions.	In 2025 we worked with our external partner for water to explore opportunities to collaborate with water companies on water efficiency actions. We installed water saving shower heads into 100 Greene King hotels (over 2,900 rooms). This is estimated to save us 66 million litres of water, which in turn means that less hot water is heated. This reduces both water and energy bills, saving money every month. We have added customer engagement signage in the bathrooms of our 'pubs with rooms' to engage our customers in saving water where possible. The new Bury St Edmunds brewery announced in 2024 aims to reduce water usage in Greene King's brewing process by up to 50% per pint.

Organisational Resilience

Our 2023 strategic planning cycle included our first decarbonisation roadmap. This roadmap would allow us to achieve our SBTi-approved near-term commitments (2030) and net zero targets (2040). While our planning cycle is over five years, the decarbonisation roadmap is a longer-term plan to meet our previously published target of net-zero by 2040. In 2025 we submitted our first Carbon Disclosure Project Submission achieving a B rating. This enabled us to conduct a review of our progress against targets, process and procedures. The group capital allocation exercise in our strategic planning allowed for the infrastructural upgrades needed to push towards a key target of our net-zero journey, namely the decarbonisation of our own operations. However, this was prior to the risk mapping exercise that we undertook as part of our first CFD report and the assessed financial impacts. Therefore, while we believe our business to be resilient against the transitional risks in scenario RCP 2.6, and against the physical risks in scenario RCP 8.5. Our FY25 strategic planning process focused on environmental project prioritisation and our near term 2030 targets.

Metrics and Targets

Our environmental targets were mapped and committed to in FY2021. the following targets and commitments were designed to help mitigate the transitional climate-related risks present in our operating model. As our understanding of our value chain improves, and technology improves in key areas, our metrics will adapt accordingly. We expect the metrics to be updated in 2026.

Target	Associated Risk	Metric / KPI	Calculation methodology	2025 Progress	Baseline (2019 unless stated)	Challenges
Reduce absolute scope 1 & 2 GHG emissions by 50% by 2030	Carbon Pricing – Gas & Other Fuels	(Scope 1) Fossil fuel consumption usage in kWh	In kWh, the total consumption of natural gas, propane, kerosene & gas oil (heating oil). These fuels are used for both heating (and hot water) and cooking in our properties.	275,176,398	354,004,113	
	Carbon Pricing – Electricity	(Scope 2) % of estate powered by renewable electricity.	The consumption of electricity covered by the purchase of Guarantees of Origin (GoO), as a % of our total electricity consumption.	100%	0%	Volatile pricing on renewables market.
		(Scope 2) Electricity consumption in kWh	See above.	286,328,652	331,621,314	
Reduce absolute scope 3 GHG emissions by 50% by 2030	Carbon Pricing – Supply Chain	% of suppliers who have been invited to and completed our sustainability questionnaire	Of the first 85 suppliers, the % that had completed our 'kickstart assessment'.	88%	0%	Footprinting and target setting can be cost / resource prohibitive for smaller suppliers.
		% of suppliers that have set net-zero targets (SBTi or equivalent).	Of the first 85 suppliers invited onto our supplier engagement platform, the % with net-zero targets, including those not yet ratified by the SBTi.	36%	Unknown	
Reduce food waste by 50% by 2030	Consumer Expectations	Number of meals saved from waste via 'Too Good to Go'.	The number of meals diverted from waste via the 'Too Good to Go' platform.	159,787	Launched in 2019	
		Food waste (in kg) per 100 covers	The total weight of food waste (in kg) per 100 covers. This has been normalised to account for changes in trade and allow us to track on a LFL basis.	13.20	13.40	Measurement systems need to be identified to fully understand sources of waste.
Rollout EV charging points	Consumer Expectations	Number of EV charging points bays installed in the estate.	The total number of usable charging bays installed in our pubs and support centres. A portion of installed bays were awaiting connection to the grid at year end.	634	0	Connection delays to grid due to DNO capacity.
		% of managed estate with available charging points.	The % of our managed pubs estate with at least one live usable charging bay at year end.	21.8%	0%	

The statements below reflect our commitment to, and management of, people, social matters, the environment, human rights, anti-bribery and anti-corruption in the last 12 months.

Environmental matters

Our environmental strategy has two core aims: (i) to offer sustainable solutions to our customers; and (ii) improve our own operations and value chain through net-zero targets.

Greene King has both near-term and net zero science based targets verified by SBTi. We are acting to reduce our carbon footprint, including the procurement of renewable electricity, introducing energy efficiency measures and solutions, working with our suppliers on their emission hotspots, introducing new and innovative circular business solutions.

Operational Decarbonisation: In 2025 we continued to drive sustainability across our business, building on past progress and introducing new initiatives to have a positive impact on the environment, people and communities through our Greene King for Good (GKFG) programme.

Examples of actions during 2025 included:

- Installing voltage optimisation into 202 managed pubs, reducing electricity to an optimal level for connected equipment, saving energy, limiting wear and tear and lowering carbon emissions.
- Installing loft insulation in 60 pubs in 2025, reducing heat loss and cutting energy bills while improving comfort for guests.
- Through our partnership with Too Good To Go, we hit the one million meals diverted milestone since 2018, with 159,787 meals diverted in 2025.
- Continuing to partner with our suppliers, with over 425 suppliers having completed our sustainability engagement questionnaires on our supplier engage platform.
- Through our reverse logistics model, eliminating 160,000 delivery journeys and improved waste diversion.

Social matters

Our social aims are to give millions of people better lives; provide good work and opportunities for everyone; and lead the warmest welcome.

Charity Partnerships

In 2025, our customers, teams and suppliers helped raise £4.1million for Macmillan Cancer Support, taking our total fundraising since 2012 to an incredible £25 million. Throughout the year, we supported a range of local charities and community events, including St Nicholas Hospice in Bury St Edmunds, Suffolk.

Community

We continued to support local communities alongside national partners including The Eden Project. Our pubs played a key role in a safety campaign, acting as safe starting and finishing points for women exercising when the clocks went back in partnership with Lift the Curfew. The year concluded with Greene King's Christmas campaign, which provided free meals to volunteers, people impacted by cancer, NHS and Blue Light workers as a thank-you for their vital contribution to our communities. We were recognised as the Best Community Programme at the Springboard Awards for Excellence.

Social Mobility

Our prison leaver programme, 'Releasing Potential' recruited over 60 candidates in 2025, bringing the total recruitment number to 340 since its launch in 2019. We continued delivery across four Prison Training Academies and supported the New Futures Network hospitality campaign, engaging with over 300 prisoners in 30+ prisons. We were recognised as the Best Recruitment Strategy award at the Springboard Awards for Excellence. Our Supported Internship programme continued to support young people with Special Educational Needs, as we expand the offer through new partnerships with Mencap and Landmarks Specialist College.

Apprenticeships

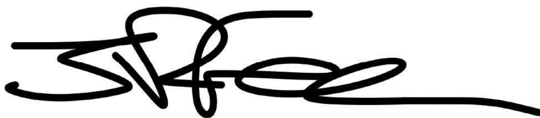
In 2025, 436 apprentices completed and achieved their qualifications, with a further 848 new enrolments and an 88% retention rate. We expanded into wider business areas, including Level 7 Leadership and Management, enabling support centre teams to use apprenticeships as a key development pathway. Greene King has now supported over 18,600 apprentices and was recognised with the Apprenticeship & Training Award for Employer Commitment to Apprenticeships & Training as we look to support careers in hospitality.

Anti-corruption and bribery

All forms of bribery are prohibited across all Greene King operations, in all our locations and in all of our interactions with any third parties, and whether by Greene King team members or by third parties on our behalf. We do not make payments or give cash equivalents or anything else of value to secure an unfair business advantage, nor do we make payments or provide any benefit to government officials to obtain business, favourable treatment or to avoid a fine or penalty. We do not permit the payment of facilitation payments or such like to speed up the performance of government officials.

We have online anti-bribery training for our support centre staff and pub managers which explains the law and the responsibility each team member faces. Our gifts and hospitality policy requires that all gifts must be recorded on a central database. Gifts over £250 also require line manager's approval and anything more than £5,000 requires permission from the CEO.

The strategic report has been approved by the directors and signed on behalf of the directors by:



Jonathan Fearn
Director

DIRECTORS' REPORT

The directors present their annual report together with the audited financial statements for the 53 week period ended 04 January 2026. The company has chosen, in accordance with section 414C(11) of the Companies Act 2006, to include matters of strategic importance in the strategic report which otherwise would be required to be disclosed in the directors' report.

Stakeholder and employee engagement	p 5
Greenhouse gas emissions, energy consumption and energy efficiency	p 7
Employing disabled persons	p 5

Dividends

The directors do not recommend the payment of a dividend to its sole shareholder this period (prior period: nil).

Directors

The directors during the period and to the date of this report, except stated otherwise, were as follows:

N Mackenzie, Chief Executive Officer

R Smothers, Director (Chief Financial Officer to 24 February 2025 and non-executive director thereafter)

J Fearn, Chief Financial Officer (from 24 February 2025)

D Dyson, Non-executive Director

A Hunter, Non-executive Director

L C G Ma, Non-executive Director

P Macnab, Non-executive Director

G Magnus, Non-executive Chairman

Financial risk management objectives and policies

The group's policy on financial risk management is outlined in note 22.

Going concern

The directors' assessment in relation to going concern is outlined in note 1.

Political Donations

The Greene King group makes no political donations (prior period: nil).

Directors' and officers' indemnity insurance

Insurance to indemnify the directors of the company against third party proceedings whilst serving on the board of the company and of any subsidiary has been taken out by the group. This cover indemnifies all team members of the group who serve on the boards of all subsidiaries. These indemnity policies subsisted throughout the period and remain in place at the date of this report.

Statement of corporate governance arrangements

The company's governance arrangements, which were adopted by the board in February 2020, are broadly based on the Wates Principles for large private companies but have been adapted to recognise the company's position as a member of the CK Asset Holdings Limited (CKA) group. The principles adopted by the board cover the following six pillars:

- **Purpose and leadership –** This requires the board to ensure that the company has a clear sense of purpose, strategy and collective vision . During 2025, we announced our new company vision with four goals which sets out our strategic direction and projects focused on the evolution of our brands, building strong foundations via transformations initiatives and understanding and delivering for our customers, which continued to inform the company's strategic direction. With the support of the board throughout 2025, the company:
    - following a multi-million-pound investment, launched our new app to enable better customer connection. One million customers signed up to our loyalty and rewards programme in the first three months following the 2025 launch. The app allows customers to explore Greene King's brands, make and manage bookings, customise orders and pay all in one place. It enhances customer experience and incentivises repeat visits through exclusive and personalised offers, discounts and rewards.
    - continued its Pub Partners franchise roll-out under its Hive and Nest brands and reached a landmark 100 site milestone in 2025.
    - invested in the Hickory's brand with the conversion and introduction of 10 new sites in 2025, helping to grow a balanced portfolio of sustainable brands; and
    - began the build of our £40m state-of-the-art brewery in Bury St Edmunds, next to our new distribution centre. The custom-built, modern facility will provide a long-term future commitment to British brewing. Operations will continue at the existing Westgate Brewery until completion of the new site in 2027.
- **Board composition –** This focuses on the role of the chair and other board members, requiring them to provide constructive challenge to management to ensure effective decision making. The chairman of the company, George Magnus, has considerable experience as a non-executive director and chairman. Throughout board meetings all directors are given the opportunity to ask questions of management and to offer their insight and experience where relevant.
- **Director responsibilities –** This requires the board to establish and maintain corporate governance practices that provide clear lines of accountability and responsibility to support effective decision making. The board has approved a schedule of responsibilities setting out matters requiring board approval such as approval of the long-term strategy, changes to the governance structure of the group and approval of all significant corporate acquisitions or disposals. The board committee, which comprises board members and senior leaders from the company and CKA, has the delegated authority to make certain decisions relating to the management and operation of the company. Operational controls are managed via an authorities matrix, which is approved by the board and rolled out across the business. The board committee passed a number of resolutions during 2025 including various banking related approvals, the modern slavery statement and the 2026 budget.

- **Opportunity and risk –** This requires the company to create and preserve value and establish oversight for the identification and mitigation of risks to the business to ensure the promotion of long-term sustainability and success. During the year the board was kept fully informed of the actions taken by management to manage costs, deal with wage pressures, and actions to mitigate eroding consumer spending power and changes to eating out and alcohol consumption trends. Potential opportunities for the business were also discussed with the board throughout the year, including the use of AI technologies to remove or ease tasks within pub, the loyalty and reward programme, continued improvements to enhance our IT network controls and the introduction of our 'Customer Promise' emphasising that everyone is welcome in our pubs. Details of the risks facing the business are set out in the strategic report. The key elements of the group's internal control framework include: a defined management structure with suitable authority limits and responsibilities; regular updates to the board on strategy, comprehensive planning and financial reporting procedures as well as performance monitoring against budgets; ongoing monitoring of compliance with financial covenants; clearly defined evaluation and approval processes for acquisitions and disposals, capital expenditure and project control with escalating levels of authority; audits conducted by the group internal audit function of business and functional control environments; and documented policies to cover data protection, modern slavery, anti-bribery and whistle-blowing and regular updates on any incidents.

- **Remuneration –** This requires the board to ensure that remuneration structures are aligned to the long-term sustainable success of the company, performance, behaviours and the achievement of the company's purpose, values and strategy. The board committee approved executive pay, bonus and long-term incentive plan (LTIP) structures for 2025, with bonus arrangements which reflect achievement against the group's balanced scorecard and financial metrics.

- **Stakeholder relationships and engagement –** This requires the board to ensure that the company conducts meaningful engagement with stakeholders, including the workforce, and has regard to their views when taking decisions. Further details can be found in the section on Directors' duties under section 172 Companies Act 2006, in the strategic report.

Auditors

Directors of the board at the time of approving this report are listed above. Having made enquiries of the company's auditor, the directors confirm that:

- to the best of their knowledge and belief, there is no information relevant to the preparation of this report of which the company's auditor is unaware; and

- they have taken all the steps a director might reasonably be expected to have taken to be aware of relevant audit information and to establish that the company's auditor is aware of that information.

This confirmation is given and should be interpreted in accordance with the provisions of section 418 of the Companies Act 2006.

Deloitte LLP have audited these financial statements and have confirmed their willingness to continue as auditors going forwards. They will therefore be proposed for reappointment in accordance with section 485 of the Companies Act 2006.

Statement of directors' responsibilities

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

Company law requires the directors to prepare financial statements for each financial year. Under that law the directors have elected to prepare the group financial statements in accordance with United Kingdom adopted international accounting standards in conformity with the requirements of the Companies Act 2006. The financial statements also comply with International Financial Reporting Standards (IFRSs) as issued by the IASB. The directors have chosen to prepare the parent company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 101 "Reduced Disclosure Framework". 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 company and of the profit or loss of the company for that period.

In preparing the parent company financial statements, the directors are required to:

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

In preparing the group financial statements, International Accounting Standard 1 requires that directors:

- properly select and apply accounting policies;
- present information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- provide additional disclosures when compliance with the specific requirements of the financial reporting framework are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the entity's financial position and financial performance; and
- make an assessment of the company's ability to continue as a going concern.
- The directors are responsible for keeping adequate accounting records that are sufficient to show and explain the company's transactions and disclose with reasonable accuracy at any time the financial position of the company and 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 hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

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

This report was approved by the board on 29 April 2026 and signed on its behalf.

Jonathan Fearn
Director

FINANCIAL STATEMENTS

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GREENE KING LIMITED

Opinion

In our opinion the financial statements of Greene King Limited (the 'parent company') and its subsidiaries (the 'group'):

- give a true and fair view of the state of the group's and of the parent company's affairs as at 4 January 2026 and of the group's loss for the year then ended;
- the group financial statements have been properly prepared in accordance with United Kingdom adopted international accounting standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice, including Financial Reporting Standard 101 "Reduced Disclosure Framework"; and
- have been prepared in accordance with the requirements of the Companies Act 2006.

We have audited the financial statements which comprise:

- the group income statement;
- the group statement of comprehensive income;
- the group and parent company balance sheets;
- the group cash flow statement;
- the group and parent company statements of changes in equity;
- the related notes 1 to 44.

The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and United Kingdom adopted international accounting standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 101 "Reduced Disclosure Framework" (United Kingdom Generally Accepted Accounting Practice).

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report.

We are independent of the group and the parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the Financial Reporting Council's (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 directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the directors' assessment of the group's and parent company's ability to continue to adopt the going concern basis of accounting included:

- assessment of the financing facilities available to the Group, including nature of facilities, repayment terms and covenants;
- assessment of assumptions used in the forecasts prepared by management;
- assessment of the amount of headroom in the forecasts; and
- performance of sensitivity analysis.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and parent company's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

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

Other information

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

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

We have nothing to report in this regard.

Responsibilities of directors

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

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

Auditor's responsibilities for the audit of the financial statements

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

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

Extent to which the audit was considered capable of detecting irregularities, including fraud

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

We considered the nature of the group's industry and its control environment, and reviewed the group's documentation of their policies and procedures relating to fraud and compliance with laws and regulations. We also enquired of management and the directors about their own identification and assessment of the risks of irregularities, including those that are specific to the group's business sector.

We obtained an understanding of the legal and regulatory framework that the group operates in, and identified the key laws and regulations that:

- had a direct effect on the determination of material amounts and disclosures in the financial statements. These included UK Companies Act, pensions legislation, tax legislation; and
- do not have a direct effect on the financial statements but compliance with which may be fundamental to the group's ability to operate or to avoid a material penalty. These included data protection regulations, licensing regulations, the pub code, occupational health and safety regulation, employment legislation responsible drinking regulations and planning and building legislation.

We discussed among the audit engagement team regarding the opportunities and incentives that may exist within the organisation for fraud and how and where fraud might occur in the financial statements.

As a result of performing the above, we identified the greatest potential for fraud is on the impairment of some of the fixed asset investments in the company only balance sheet, we considered potential indicators of impairment, where management has an incentive to understate reported impairment, hence a significant risk associated with management override of control and fraud. We performed an assessment of management's impairment test which involved comparing the carrying amount of the investment to the recoverable amount, as determined using latest available cash flow forecasts and assumptions about growth rates.

In common with all audits under ISAs (UK), we are also required to perform specific procedures to respond to the risk of management override. In addressing the risk of fraud through management override of controls, we tested the appropriateness of journal entries and other adjustments; assessed whether the judgements made in making accounting estimates are indicative of a potential bias; and evaluated the business rationale of any significant transactions that are unusual or outside the normal course of business.
In addition to the above, our procedures to respond to the risks identified included the following:

- reviewing financial statement disclosures by testing to supporting documentation to assess compliance with provisions of relevant laws and regulations described as having a direct effect on the financial statements;
- performing analytical procedures to identify any unusual or unexpected relationships that may indicate risks of material misstatement due to fraud;
- enquiring of management, internal audit and in-house legal counsel concerning actual and potential litigation and claims, and instances of non-compliance with laws and regulations; and
- reading minutes of meetings of those charged with governance and reviewing internal audit reports.

Report on other legal and regulatory requirements

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.

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

Matters on which we are required to report by exception

Under the Companies Act 2006 we are required to report in respect of the following matters if, in our opinion:

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

We have nothing to report in respect of these matters.

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.

Julian Rae (Senior statutory auditor)
For and on behalf of Deloitte LLP
Statutory Auditor
Cambridge, UK
29 April 2026

GROUP INCOME STATEMENT

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

	Note	**53 weeks ended 04 January 2026 £m**	52 weeks ended 29 December 2024 £m
Revenue	3	**2,539.0**	2,450.5
Operating costs	4	**(2,445.2)**	(2,466.9)
Operating profit/(loss)		**93.8**	(16.4)
Analysed as:			
Adjusted operating profit		**217.4**	198.0
Adjusting items	5	**(123.6)**	(214.4)
Finance income	7	**7.1**	6.8
Finance cost	7	**(124.3)**	(137.5)
Net finance cost		**(117.2)**	(130.7)
Analysed as:			
Adjusted net finance costs		**(115.5)**	(130.7)
Adjusting items	5	**(1.7)**	-
Loss before tax		**(23.4)**	(147.1)
Tax	9	**(11.3)**	(9.2)
Analysed as:			
Adjusted tax		**(28.0)**	(21.6)
Adjusting items	5	**16.7**	12.4
Loss attributable to equity holders of parent		**(34.7)**	(156.3)

The notes on pages 25 to 62 form part of these financial statements. All activities derive from continuing operations.

GROUP STATEMENT OF COMPREHENSIVE INCOME

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

	Note	**53 weeks ended 04 January 2026 £m**	52 weeks ended 29 December 2024 £m
Loss for the period		**(34.7)**	(156.3)
Other comprehensive income to be reclassified to the income statement in subsequent periods			
Cash flow hedges:			
– (Losses)/gains on cash flow hedges taken to other comprehensive income	22	**(2.9)**	17.3
– Transfers to income statement on cash flow hedges	22	**1.4**	(0.5)
Deferred tax on cash flow hedges	9	**0.4**	(4.2)
		(1.1)	12.6
Items not to be reclassified to the income statement in subsequent periods			
Remeasurement gains/(losses) on defined benefit pension schemes	8	**5.1**	(19.0)
Deferred Tax on remeasurement (losses)/gains	9	**(1.3)**	4.7
		3.8	(14.3)
Other comprehensive income/(loss) for the period, net of tax		**2.7**	(1.7)
Total comprehensive loss for the period, net of tax		**(32.0)**	(158.0)

The notes on pages 25 to 62 form part of these financial statements.

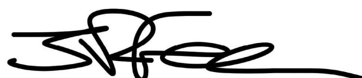
GROUP BALANCE SHEET

AS AT 04 JANUARY 2026

	Note	**04 January 2026 £m**	29 December 2024 £m
Fixed assets			
Property, plant and equipment	11	**3,873.5**	3,953.4
Investment property	12	**13.5**	11.5
Right-of-use assets	20	**412.0**	428.6
Intangibles	10	**40.8**	13.8
Goodwill	10	**802.6**	802.6
Other financial assets	13	**9.7**	9.4
Trade and other receivables	16	**32.2**	30.6
Post-employment assets	8	**56.2**	48.4
		5,240.5	5,298.3
Current assets			
Inventories	15	**49.9**	56.2
Other financial assets	13	**4.5**	4.9
Income tax receivable	9	**5.6**	13.3
Trade and other receivables	16	**88.8**	90.5
Prepayments		**28.7**	27.9
Cash and cash equivalents	17	**132.6**	104.5
		310.1	297.3
Property, plant and equipment held for sale	18	**13.2**	4.2
		323.3	301.5
Total assets		**5,563.8**	5,599.8
Current liabilities			
Borrowings	21	**(482.4)**	(953.9)
Lease liabilities	20	**(34.4)**	(25.1)
Derivative financial instruments	22	**(3.0)**	(1.0)
Trade and other payables	19	**(458.0)**	(450.1)
Provisions	23	**(2.9)**	(10.9)
		(980.7)	(1,441.0)
Non-current liabilities			
Borrowings	21	**(1,724.4)**	(1,268.3)
Lease Liabilities	20	**(452.5)**	(465.6)
Derivative financial instruments	22	**(12.5)**	(12.9)
Deferred tax liabilities	9	**(90.2)**	(76.7)
Provisions	23	**(1.7)**	(1.5)
		(2,281.3)	(1,825.0)
Total liabilities		**(3,262.0)**	(3,266.0)
Net assets		**2,301.8**	2,333.8
Issued capital and reserves			
Share capital	24	**39.0**	39.0
Share premium	25	**1,184.4**	1,184.4
Merger reserve	25	**752.0**	752.0
Capital redemption reserve	25	**3.3**	3.3
Hedging reserve	22	**(11.5)**	(10.4)
Retained earnings		**334.6**	365.5
Total equity		**2,301.8**	2,333.8

The notes on pages 25 to 62 form part of these financial statements.

The financial statements were approved by the board of directors and authorised for issue on 29 April 2026. They were signed on its behalf by



Jonathan Fearn
Director

GROUP CASHFLOW STATEMENT

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

	Note	53 weeks ended 04 January 2026 £m	52 weeks ended 29 December 2024 £m
Operating activities			
Operating profit/(loss)		**93.8**	(16.4)
Operating adjusting items	5	**123.6**	214.4
Depreciation	4	**148.7**	153.5
Amortisation	4	**12.2**	1.5
Adjusted EBITDA		**378.3**	353.0
Working capital and adjusting items	26	**1.3**	(8.3)
Cash generated from operations		**379.6**	344.7
Interest received		**4.0**	3.4
Interest paid		**(123.4)**	(136.2)
Tax refund/(paid)		**9.0**	(5.1)
Net cash flow from operating activities		**269.2**	206.8
Investing activities			
Freehold reversions	11	**-**	(1.8)
Purchase of property, plant and equipment and intangible assets	10,11	**(218.1)**	(199.3)
Purchase of/investment in Investment property	12	**(1.3)**	(5.7)
Advances of trade loans	13	**(6.6)**	(6.9)
Repayment of trade loans	13	**6.7**	6.2
Sales of property, plant and equipment		**25.3**	25.2
Net cash flow from investing activities		**(194.0)**	(182.3)
Financing activities			
Repayment of borrowings	27	**(234.3)**	(387.8)
Advance of borrowings	27	**220.0**	380.0
Arrangement fees paid		**(3.2)**	(1.4)
Repayments of lease liabilities	27	**(29.6)**	(30.9)
Net cash flow from financing activities		**(47.1)**	(40.1)
Net increase/(decrease) in cash and cash equivalents		**28.1**	(15.6)
Opening cash and cash equivalents	17	**104.5**	120.1
Closing cash and cash equivalents	17	**132.6**	104.5

The notes on pages 25 to 62 form part of these financial statements.

GROUP STATEMENT OF CHANGES IN EQUITY

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

	Note	Share capital £m	Share premium £mr	Merger reserve £m	Capital redemption reserve £m	Hedging reserve £m	Retained earnings £m	Total equity £m
At 31 December 2023		**39.0**	**1,184.4**	**752.0**	**3.3**	**(23.0)**	**536.1**	**2,491.8**
Loss for the period		-	-	-	-	-	(156.3)	(156.3)
Other comprehensive income/(loss):								
Actuarial loss on defined benefit pension schemes (net of tax)	8,9	-	-	-	-	-	(14.3)	(14.3)
Net gain on cash flow hedges (net of tax)	22	-	-	-	-	12.6	-	12.6
Total comprehensive (expense)/income		**-**	**-**	**-**	**-**	**12.6**	**(170.6)**	**(158.0)**
At 29 December 2024		**39.0**	**1,184.4**	**752.0**	**3.3**	**(10.4)**	**365.5**	**2,333.8**
Loss for the period		-	-	-	-	-	(34.7)	(34.7)
Other comprehensive income/(loss):								
Actuarial gain on defined benefit pension schemes (net of tax)	8,9	-	-	-	-	-	3.8	3.8
Net loss on cash flow hedges (net of tax)	22	-	-	-	-	(1.1)	-	(1.1)
Total comprehensive (expense)/income		**-**	**-**	**-**	**-**	**(1.1)**	**30.9**	**32.0**
At 04 January 2026		**39.0**	**1,184.4**	**752.0**	**3.3**	**(11.5)**	**334.6**	**2,301.8**

The notes on pages 25 to 62 form part of these financial statements.

NOTES TO THE ACCOUNTS

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

1 BASIS OF PREPARATION

Corporate information

The consolidated financial statements of Greene King Limited for the period ended 04 January 2026 were authorised for issue by the board of directors on 29 April 2026. Greene King Limited is a private company limited by shares incorporated and domiciled in England and Wales.

Statement of compliance

The group's financial statements have been prepared in accordance with United Kingdom adopted International Financial Reporting Standards (IFRS) in conformity with the requirements of the Companies Act 2006 as they apply to the financial statements of the group. The group's accounting reference date is 31 December and it draws up its consolidated financial statements to the Sunday directly preceding or following the accounting reference date, as permitted by section 390 (3) of the Companies Act 2006. The period ended 04 January 2026 includes 53 trading weeks (prior period: period ended 29 December 2024 includes 52 trading weeks). The financial statements have been prepared on the historical cost basis, except for financial instruments as explained in the accounting policies below.

Basis of preparation

The consolidated financial statements have been prepared in accordance with those parts of the Companies Act 2006 applicable to companies reporting under IFRS (UK). They are presented in millions of pounds sterling, with values rounded to the nearest hundred thousand, except where otherwise indicated.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of Greene King Limited, its subsidiaries and Greene King Finance plc and Greene King Finance Parent Limited. Greene King Finance plc is a structured entity set up to raise bond finance for the group.

The Law Debenture Intermediary Corporation plc holds the shares of Greene King Finance Parent Limited under a declaration of trust for charitable purposes. The rights provided to the group through the securitisation give the group the power over this company and the ability to use that power to affect its exposure to variable returns from them. As Greene King Limited has full control over these entities, they are fully consolidated. The financial statements of subsidiaries are prepared for the same reporting period as the parent company with adjustments made to their financial statements to bring their accounting policies in line with those used by the group. As such, the directors of Greene King Limited consider that these companies are controlled by the group, as defined in IFRS 10 'Consolidated Financial Statements' and hence for the purpose of the consolidated financial statements they have been treated as subsidiary undertakings.

The results of subsidiaries are consolidated from the date of acquisition, being the date on which the group obtains control, and continue to be consolidated until the date that such control ceases. Intercompany transactions, balances, income and expenses are eliminated on consolidation.

Going concern

The group's business activities, together with the factors likely to affect its future development, performance and position, are set out in the strategic review. The financial position of the group, its cash flows, liquidity position and borrowing facilities are described in the financial review. In addition, note 22 to the financial statements includes the group's objectives, policies and processes for managing its capital; its financial risk management objectives; details of its financial instruments and hedging activities; and its exposure to credit and liquidity risk. The directors have made enquiries into the adequacy of the group's financial resources through a thorough review of the financial commitments over the short and medium term and their impact on the group's cash flow.

The principal elements of the group's financing structure are:

- Unsecured bank facilities totalling £1,170m, comprising £770m of revolving credit facilities and £400m of term loan facilities, which are guaranteed by the group's ultimate parent and mature in the period between December 2026 and November 2030. The facility expiring in December 2026 totals £100m;
- Repayable on demand interest free loan of £311m from CKA Holdings UK Limited;
- Unsecured revolving loan facility with CKA Holdings UK Limited of £1,500m expiring in November 2028;
- Secured bonds issued out of the Greene King securitisation, with a group carrying value of £889.6m (prior period: £957.8m) and an average life of six years (prior period: six years), secured against pubs with a group carrying value of £1,963.9m (prior period: £1,980.5m); and
- Liquidity facilities totalling £205.0m (prior period: £224.0m) which can only be used for the purpose of meeting the debt service obligations of the group's securitisation vehicles should there ever be insufficient funds available from operations to meet such payments. There were no drawdowns under these facilities during the year and the drawn down amount at the year end was £nil (prior period: £nil).

The undrawn facilities (excluding liquidity facilities) at the end of the financial year were £1,660m and at 5 April 2026 were £1,670m.

Based on the group's current strategic plan the directors expect to meet the covenants of the Greene King securitisation during the period of 12 months from the date of approval of the financial statements.

For the purpose of the group's going concern assessment, the directors have modelled a reasonable downside scenario whereby the group generates 90% of its budgeted revenue and variable costs with no reduction in fixed costs and budgeted capex continues for a 12 month period. Under this scenario the group has access to adequate funding to support the business through a period of at least 12 months from the date of the approval of the financial statements. As part of the assessment, the directors have also assessed the ability of CKA Holdings UK Limited to provide the facilities described above and are satisfied these facilities will remain available during the going concern assessment period. Based on the assessment performed, the directors have a reasonable expectation that the group has sufficient resources to continue in operational existence for the period of at least 12 months from the date of approval of these financial statements. Accordingly, the directors continue to adopt a going concern basis for the preparation of the financial statements.

New accounting standards, amendments and interpretations adopted by the group

There are no new standards, interpretations and amendments to standards mandatory for the group for the first time for their annual reporting period commencing 30 December 2024.

Standards issued but not yet effective

A number of new standards and amendments to standards are effective for annual periods beginning after 30 December 2024 and earlier application is permitted; however, the group has not early adopted them in preparing these consolidated financial statements. The group is assessing the impact of the following new and amended standards, which have been issued or are awaiting endorsement by the UK Endorsement Board.

- Amendments to IAS 21 – The Effects of Changes in Foreign Exchange Rates
- Amendments to IFRS 9 and IFRS 7 – Amendments to the Classification and Measurement of Financial Instruments
- Amendments to IFRS 9 and IFRS 7 - Contracts Referencing Nature-dependent Electricity
- IFRS 18 - Presentation and Disclosure in Financial Statements
- IFRS 19 - Subsidiaries without Public Accountability

Critical accounting judgments and key sources of estimation uncertainty

Critical accounting judgments

In the course of preparing the financial statements, the key judgments made in the process of applying the group's accounting policies are detailed below:

Adjusting items

Management uses a range of measures to monitor and assess the group's financial performance. These measures include a combination of statutory measures calculated in accordance with IFRS and alternative performance measures. The alternative performance measures represent the equivalent IFRS measures but are adjusted to exclude items that management considers would prevent comparison of the group's performance both from one reporting period to another and with other similar businesses. Management believes that these alternative performance measures provide useful additional information about the group's performance and are consistent with how the business performance is measured internally by the chief decision maker.

The classification of items excluded from profit before adjusting items requires judgment including consideration of the nature, circumstances, scale and impact of transaction. The group's definition of items excluded, together with further details of adjustments made, is provided within the accounting policy section, note 2.

Determining the lease term of contracts with renewal and termination options – Group as Lessee

The group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The group has several lease contracts that include extension and termination options. The group applied judgement in evaluating whether it is reasonably certain whether or not to exercise the option to renew or terminate the lease. That is, it considers all relevant factors that create an economic incentive for it to exercise either the renewal or termination. After the commencement date, the group reassesses the lease term if there is a significant event or change in circumstances that is within its controls and affects its ability to exercise or not to exercise the option to renew or to terminate. The total potential effect of these clauses has been disclosed in note 20.

Key sources of estimation uncertainty

The areas of estimation that have a significant risk of resulting in material adjustments to carrying amounts of assets and liabilities are detailed below:

Impairment of property, plant and equipment, intangible assets and right-of-use assets

IFRS requires management to perform impairment tests annually for indefinite lived assets (Goodwill), and for finite lived assets (property, plant and equipment, right-of-use assets and other intangible assets), if events or changes in circumstances indicate that their carrying amounts may not be recoverable.

Impairment testing requires management to judge whether the carrying value of assets can be supported by the net present value of future cash flows that they generate. Calculating the net present value of the future cash flows requires estimates to be made in respect of the future cash flows, short-term and long-term growth rates, and the adoption of a suitable discount rate. Short-term growth rates are based on the board approved forecast cash flows in the strategic plan, which has a trajectory to return toward pre-Covid margins, there is uncertainty in these cash flows particularly around cost control and mitigation. The long-term growth rate has been set with reference to the forecast long-term UK inflation rate. The discount rate is based on the group's WACC and is applied across all reporting segments as risk factors are considered to be similar.

Changes to the growth rate or discount rate used, could significantly affect the group's impairment charge (and reversal) recognised in the income statement and the overall value of assets held at the balance sheet date. Management has provided analysis of the sensitivity to these assumptions in note 11.

The cashflows used in the impairment exercise have been aligned to the group's 5-year strategic plan. Further details are provided in notes 11 and 20.

Taxation

The group's tax charge is the sum of the total current and deferred tax charges. The calculation of the group's tax charge involves estimation and judgment in respect of following items:

Recognition of deferred tax asset and liabilities

The group has exercised significant accounting estimation and judgment in the recognition of deferred tax liabilities in respect of property, plant and equipment. Significant accounting estimates and judgements include those used to determine the amount of net book value of property, plant and equipment to which the initial recognition exemption applies, the calculation of the tax base on sale (which is subject to certain restrictions under tax law) and the offsetting of inherent losses against inherent gains where tax losses are expected to be utilised against future profits and gains.

Corporate Interest Restriction

The following significant judgements and estimates have been used to calculate the current and deferred tax balances relating to Corporate Interest Restriction:

- As statutory accounts are not prepared for the Greene King group subsidiaries at the time of the Greene King Limited group consolidated accounts being prepared, the Greene King Limited group accounts have been used to estimate Net Tax Interest Expense and Tax EBITDA on an entity basis.
- As Greene King is part of the wider CK group following the 2019 acquisition, the Corporate Interest Restriction is calculated across the CKA group. The Greene King accounts rely on estimates provided by CKA, CKA's assertions that the group should calculate the Corporate Interest Restriction using the Fixed Ratio methodology and that the group should not suffer restrictions that arise outside of the Greene King group, but in the CKA group.

Pension liabilities

Management uses estimates when determining the group's liabilities and expenses arising for defined benefit pension schemes. The present values of pension liabilities are determined on an actuarial basis and depend on actuarial assumptions. Key assumptions have been identified as the discount rate adopted, implied inflation rate and assumed life expectancy. Any change in these assumptions will impact on the carrying amount of pension liabilities, with further details on assumptions adopted and related sensitivity disclosed in note 8.

The group has determined that when all members have left the scheme, any surplus remaining would be returned to the company in accordance with the trust deed. As such the full economic benefit of the surplus under IAS 19 is deemed available to the company and is recognised in the balance sheet.

2 ACCOUNTING POLICIES

Property, plant and equipment

Property, plant and equipment is stated at cost or deemed cost on transition to IFRS, less accumulated depreciation and any impairment in value.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset.

Freehold land is not depreciated. Freehold and long leasehold buildings are depreciated to their estimated residual values over periods up to 50 years, and short leasehold improvements are depreciated to their estimated residual values over the shorter of the remaining term of the lease or useful life of the asset.

There is no depreciable amount if residual value is the same as, or exceeds, book value.

Plant and equipment assets are depreciated over their estimated lives which range from 3 to 20 years.

The residual value of an asset is the estimated amount that the entity would currently obtain from disposal of the asset, after deducting the estimated costs of disposal, if the asset were already of the age and in the condition expected at the end of its useful life.

Residual values, useful lives and methods of depreciation are reviewed for all categories of property, plant and equipment and adjusted, if appropriate, at each financial year end.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use. Profit or loss on derecognition is calculated as the difference between the net disposal proceeds and the carrying amount of the asset and is included in the income statement in the year of derecognition.

Intangible assets

Brand intangibles

Brand intangible assets recognised on acquisition are amortised on a straight-line basis over their estimated useful lives (15 years) within operating costs. The carrying value is reviewed annually for impairment, with any impairment losses recognised in the income statement.

Computer Software Intangibles

Computer Software Intangible assets are stated at cost or deemed cost on transition to IFRS, less accumulated amortisation and any impairment in value.

Amortisation is calculated on a straight-line basis over the estimated useful life (ranging from 3 to 8 years) of the asset.

Computer software assets have been transferred from tangible to intangible assets within the period, see Note 10 for further details.

Investment property

Investment property is initially measured at cost and subsequently at fair value with any change therein recognised in profit or loss. Rental income from investment property is recognised as "Rent" (note 3) on a straight-line basis over the term of the lease.

Business combinations and goodwill

Business combinations are accounted for using the acquisition method. The cost of an acquisition is measured as the aggregate of the consideration transferred, measured at acquisition date fair value, and the amount of any non-controlling interest in the acquiree. The choice of measurement of non-controlling interests, either at fair value or at the proportionate share of the acquiree's identifiable net assets, is determined on a transaction-by-transaction basis. Acquisition costs incurred are taken to the income statement.

The group has an option to apply a 'concentration test' that permits a simplified assessment of whether an acquired set of activities and assets is not a business. The optional concentration test is met if substantially all of the fair value of the gross assets acquired is concentrated in a single identifiable asset or group of similar identifiable assets.

When the group acquires a business, it assesses the financial assets acquired and liabilities assumed for appropriate classification and designation in accordance with the contractual terms, economic circumstances and pertinent conditions as at the acquisition date. This includes the separation of embedded derivatives in host contracts of the acquiree.

Any contingent consideration to be transferred to the vendor is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration which are deemed to be an asset or a liability are recognised in the income statement.

If the contingent consideration is classified as equity, it is not remeasured until it is finally settled within equity.

Goodwill is initially measured at cost being the excess of the aggregate of the acquisition date fair value of the consideration transferred and the amount recognised for the non-controlling interest over the net identifiable amounts of the assets acquired and liabilities assumed in exchange for the business combination. Assets acquired and liabilities assumed in transactions separate to the business combinations, such as the settlement of pre-existing relationships or post-acquisition remuneration arrangements, are accounted for separately from the business combination in accordance with their nature and applicable IFRS. Identifiable intangible assets, meeting either the contractual-legal or separability criteria, are recognised separately from goodwill. Contingent liabilities representing a present obligation are recognised if the acquisition date fair value can be measured reliably. If the aggregate of the acquisition date fair value of the consideration transferred and the amount recognised for the non-controlling interest is lower than the fair value of the assets, liabilities and contingent liabilities and the fair value of any pre-existing interest held in the business acquired, the difference is recognised in the income statement. After initial recognition, goodwill is measured at cost less any accumulated impairment losses.

Where goodwill forms part of a cash-generating unit and part of the operation within that unit is disposed of, any goodwill associated with the operation disposed of is included in the carrying amount of the operation when determining the gain or loss on disposal of the operation. Goodwill disposed of in this circumstance is measured based on the relative values of the operation disposed of and the portion of the cash-generating unit retained.

Impairment

Property, plant and equipment and Right-of-use assets

Individual assets are grouped for impairment assessment purposes at the lowest level at which there are identifiable cash inflows independent of the cash inflows of other groups of assets. For this purpose, this has been identified as individual sites.

An assessment is made at each reporting date as to whether there is an indication of impairment. If an indication exists, the group makes an estimate of the recoverable amount of each cash-generating unit (CGU). An asset's or cash-generating unit's recoverable amount is the higher of its fair value less costs of disposal and value in use and is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or groups of assets.

An impairment loss is recognised where the recoverable amount is lower than the carrying value of assets. If there is an indication that any previously recognised impairment losses may no longer exist or may have decreased, a reversal of the loss may be made only if there has been a change in the estimates used to determine the recoverable amounts since the last impairment loss was recognised. The carrying amount of the asset is increased to its recoverable amount only up to the carrying amount that would have resulted, net of depreciation, had no impairment loss been recognised for the asset in prior periods.

Impairment losses and any subsequent reversals are recognised in the income statement as adjusting items within operating costs.

Details of the impairment losses recognised in respect of property, plant and equipment are provided in note 11 and right-of-use assets in note 20.

Goodwill

Goodwill is reviewed for impairment annually or more frequently if events or changes in circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is, from the acquisition date, allocated to each of the group's cash-generating units (or groups of cash-generating units) that are expected to benefit from the combination, irrespective of whether other assets or liabilities of the acquiree are assigned to those units. Each unit or group of units to which goodwill is allocated represents the lowest level within the group at which goodwill is monitored for internal management purposes and cannot be larger than an operating segment before aggregation.

Impairment is determined by the recoverable amount of an operating segment. Where this is less than the carrying value of the operating segment, an impairment loss is recognised immediately in the income statement. This loss cannot be reversed in future periods.

Following changes to the structure of the group's internal organisation and the subsequent changes to the way financial and management information is presented to the board and the executive board, the composition of the group's cash-generating units changed for the year ended 04 January 2026. The activities of Pub Partners and Ventures were separated.

Financial instruments

Financial instruments are recognised when the group becomes party to the contractual provisions of the instrument and are derecognised when the group no longer controls the contractual rights that comprise the financial instrument, normally through sale or when all cash flows attributable to the instrument are passed to an independent third party.

Classification, measurement and impairment

Financial assets

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them. With the exception of trade receivables that do not contain a significant financing component, the group initially measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs. Trade receivables that do not contain a significant financing component are measured at transaction price determined under IFRS 15.

Subsequently, the group classifies its financial assets as measured at:

- amortised cost;
- fair value through other comprehensive income; or
- fair value through profit or loss

The classification depends on the financial asset's contractual cash flow characteristics and the group's business model for managing them.

The group's financial assets measured at amortised cost include trade loans, trade receivables and cash and cash equivalents.

Other financial assets are trade loans to publicans who purchase the group's beer and liquor. Trade loans that are held for the collection of contractual cash flows and the cash flows received from them are solely payments of principal, and interest on the principal amount outstanding is subsequently carried at amortised cost using the effective interest method. The amortised cost is Other financial assets are trade loans to publicans who purchase the group's beer and liquor. Trade loans that are held for the collection of contractual cash flows and the cash flows received from them are solely payments of principal, and interest on the principal amount outstanding is subsequently carried at amortised cost using the effective interest method. The amortised cost is reduced by impairment losses.

Interest revenue on the trade loans is recognised in the income statement. Any gain or loss on derecognition is recognised in the income statement. There will be derecognition of trade loans when the group has no reasonable expectation of recovering the financial asset in its entirety or a portion thereof.

For financial assets held at amortised cost, an estimate of a 12-month expected credit losses (ECLs) are recognised as an impairment provision upon recognition of a new free trade loan; and at each reporting date, an assessment is made to determine if there has been a significant increase in credit risk since initial recognition. In cases where this is evident or is determined to be credit impaired, lifetime expected credit losses are used as the basis for the impairment provision, otherwise the group measures the loss allowance for the financial asset at an amount equal to a 12-month expected credit loss.

Lifetime expected credit loss represents the expected credit losses that will result from all possible default events over the expected life of a financial instrument. In turn, 12-month expected credit loss represents the portion of lifetime expected credit losses that is expected to result from default events on a financial instrument that are possible within 12-months after the reporting date.

Trade receivables

Trade receivables are amounts due from customers for goods sold or services performed in the ordinary course of business. Trade receivables are recognised initially at the amount of consideration that is unconditional unless they contain significant financing components, when they are recognised at fair value. The group holds trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost using the effective interest method.

For trade receivables, the group adopts a simplified approach in calculating expected credit losses. Therefore, the group does not track changes in credit risk but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The group utilises a provision matrix that has been designed based on historically observed default rates adjusted by a forward-looking estimate that includes the probability of a worsening economic environment within the next year.

The group assesses a financial asset in default when contractual payments are 90 days past due. A financial asset is written off when there is no reasonable expectation of recovering the contractual cash flows.

Details about the group's calculation of the loss allowance are provided in note 22.

Cash and cash equivalents

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. For the consolidated cash flow statement, cash and cash equivalents consist of cash and cash equivalents as defined above, net of outstanding bank overdrafts.

Financial liabilities

The group classifies all financial liabilities as subsequently measured at amortised cost, except for derivatives that are subsequently measured at fair value.

Interest-bearing loans and borrowings

All loans and borrowings are initially recognised at fair value of the consideration received, net of issue costs. After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method.

Trade payables

Trade payables are non-interest bearing and are stated at their nominal value.

Derivative financial instruments and hedge accounting

The group uses interest rate swaps to hedge its exposure to interest rate fluctuations on its variable rate loans, notes and bonds.

Interest rate swaps are initially measured at fair value, if any, and carried on the balance sheet as an asset if a fair value is positive or liability if a fair value is negative. The carrying amount of a derivative is split between current and non-current portions. The present value of the net interest cash flows of a swap for the forthcoming twelve months after the reporting date is presented as current asset if fair value is positive or current liability if fair value is negative. The remainder portion of a carrying amount is presented as non-current asset or liability if the remaining maturity of the instrument is more than twelve months and it is not expected to be realised or settled within twelve months. Subsequent measurement is at fair value, and the movement is recognised in the income statement unless hedge accounting is adopted. For interest rate swaps where hedge accounting is not applied, gains or losses arising from changes in the clean fair value are presented in the income statement in the period in which they arise.

Hedge accounting

To qualify for hedge accounting the hedge relationship must be designated and documented at inception. Documentation must include the group's risk management objective and strategy for undertaking the hedge and formal allocation to the item or transaction being hedged. The group also documents how it will assess the effectiveness of the hedge and carries out assessments through periodic prospective effectiveness testing to ensure that:

- there is an economic relationship between the hedged item and the hedging instrument;

- the effect of credit risk does not dominate the value changes that result from the economic relationship; and

- the hedge ratio is the same as that resulting from actual quantities of hedged items and hedging instruments used for risk management

Hedges can be classified as either fair value (hedging exposure to changes in fair value of an asset or liability), or cash flow (hedging the variability in cash flows attributable to an asset, liability or forecast transaction). The group uses certain of its interest rate swaps as cash flow hedges.

Cash flow hedge accounting

The effective portion of the gain or loss on an interest rate swap is recognised in Other comprehensive income (OCI), whilst any ineffective portion is recognised immediately in the income statement.

Amounts recognised in OCI are transferred to the income statement in the same period that the financial income or expense is recognised, unless the hedged transaction results in the recognition of a non-financial asset or liability whereby the amounts are transferred to the initial carrying amount of the asset or liability.

When a hedging instrument expires or is sold, terminated or exercised, or no longer qualifies for hedge accounting, amounts previously recognised in OCI are held there until the previously hedged transaction affects the income statement. If the hedged transaction is no longer expected to occur, the cumulative gain or loss recognised in OCI is immediately transferred to the income statement.

Employee Benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

Finance costs and income

Finance costs are expensed to the income statement using the effective interest method. Finance income is recognised in the income statement using the effective interest method.

Inventories

Inventories are valued at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Cost is calculated using the weighted average method.

At the reporting date, inventories are assessed for impairment. If inventories are impaired, the carrying amount is reduced to its selling price less costs to complete and sell. The impairment loss is recognised immediately in the Statement of Comprehensive Income.

Property, plant and equipment held for sale

Property, plant and equipment is classified as held for sale only if it is available for sale in its current condition, management is committed to the sale and a sale is highly probable and expected to be completed within one year from the date of classification. Property, plant and equipment classified as held for sale is measured at the lower of carrying amount and fair value less costs of disposal and is no longer depreciated or amortised.

Provisions

Provisions are recognised when the group has a present legal or constructive obligation as a result of a past event, when it is probable that an outflow of resources will be required to settle the obligation, and when a reliable estimate can be made of the amount of the obligation.

Provisions are discounted to present value, where the effect of the time value of money is material, using a pre-tax discount rate that reflects current market estimates of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as a finance cost.

Pensions and other post-employment benefits

Defined benefit pension schemes

The group operates two defined benefit pension schemes which require contributions to be made into separately administered funds. The cost of providing benefits under the schemes is determined separately for each plan using the projected unit credit actuarial method on an annual basis. Remeasurement gains and losses are recognised in full in the group statement of comprehensive income in the period in which they occur.

When a settlement or curtailment occurs the obligation and related scheme assets are remeasured, and the resulting gain or loss is recognised in the income statement in the same period.

Net interest on the net defined benefit liability/(asset) is determined by multiplying the net defined benefit liability/(asset) by the discount rate both as determined at the start of the annual reporting period, taking account of any changes in the net defined benefit liability/(asset) during the period as a result of contributions and benefit payments.

The defined benefit asset or liability recognised in the balance sheet comprises the present value of the schemes' obligations less the fair value of scheme assets. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the schemes.

Defined contribution pension schemes

Contributions to the group's defined contribution pension schemes are charged to the income statement as they become payable.

Revenue

Generally, revenue represents external sales (excluding taxes) of goods and services, net of discounts. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the group and is measured at the fair value of consideration receivable, excluding discounts, rebates, and other sales taxes or duty relating to brewing and packaging of certain products.

The group does not expect to have any contracts where the period between the transfer of the promised goods or services to the customer and payment by the customer exceeds one year. As a consequence, the group does not adjust any of the transaction prices for the time value of money.

Food and drink

Revenue is recognised at the point at which food and drinks are provided based on till receipts taken in our licensed estate. Promotional discounts are recorded at point of sale. Revenue is reported on product sales net of VAT and discounts applied.

The performance obligation is satisfied upon the delivery of the food and drink, and payment of the transaction price is due immediately when the customer purchases the food and/or drink.

Other services

Accommodation revenue is recognised on a daily basis based on occupancy at the agreed price (net of discount and VAT). The performance obligation is satisfied at the point the service is provided, and payment is generally due at the end of the guest stay at the accommodation.

Gaming machine income is recognised, in the group's capacity as agent, where net takings are recognised at the point the service is provided net of VAT.

Drink/product sales to leased and tenanted pubs

The group supplies tenants with a variety of products recognising the sale upon delivery to the pub. At this point the tenant is solely responsible for stock management and no refunds are given for out-of-date products, passing all risks and rewards of ownership to the tenant.

The tenancy agreement may also include volume incentives in the form of rebates, which are deemed to be related transactions and therefore the cost of rebate is recognised simultaneously, provided that the cost can be measured reliably. The net of the proceeds from sale and the expected rebate is disclosed as revenue. The accrued value for rebates payable is included within other payables.

Rental income

The group recognises rental income on a straight-line basis over the term of the lease, as the performance obligation is satisfied over time, based on the contractual terms of the lease agreement.

Franchise arrangements

The group has a number of franchise arrangements with its tenants, where the group controls the goods and services before they are transferred to the customer and accordingly revenue is recognised gross by the group.

Brewing & Brands

Brewing & Brands drink revenue is recognised upon delivery date, net of VAT and duty and discounts applied. Export revenue is recognised on export sales based on the invoice date. Products are shipped on a 'free on board' basis, with risk and rewards of ownership being transferred, and performance obligation satisfied, from the group upon shipment rather than the receipt by the customer. The export revenue is immaterial to the group therefore no information about geographical regions has been provided as the group's activities are predominantly domestic.

Supplier rebates

Supplier rebates are included within operating profit as they are earned as there is no significant uncertainty. The accrued value at the reporting date is included within other receivables. Other receivables are recognised at fair value.

Leases

Group as lessee

For any new contracts entered into, the group considers whether a contract is or contains a lease. A lease is defined as 'a contract, or part of a contract, that conveys the right to use an asset for a period of time in exchange for consideration'. To apply this definition, the group assesses whether the contract meets all of the following criteria:

- the contract contains an identified asset, which is either explicitly identified in the contact or implicitly specified by being identified at the time the asset is made available to the group
- the group has the right to obtain substantially all of the economic benefits from use of the identified asset throughout the period of use, considering its rights within the defined scope of the contract
- the group has the right to direct the use of the identified asset throughout the period of use. The group assesses whether it has the right to direct 'how and for what purpose' the asset is used throughout the period of use.

Leases are recognised as a right-of-use asset and a corresponding lease liability at the date at which the leased asset is available for use by the group. Each lease payment is allocated between repayment of the lease liability and finance cost. The finance cost is charged to the income statement over the lease term to produce a constant periodic rate of interest on the outstanding lease liability balance. The right-of-use asset is depreciated over the shorter of the asset's expected useful life and the lease term on a straight-line basis unless the lease is expected to transfer ownership of the underlying asset to the group in which case the asset is depreciated to the end of the useful life of the asset.

The lease liability is initially measured as the present value of future lease payments, discounted using the interest rate implicit in the lease. Where this rate is not determinable, the incremental borrowing rate is used, which is the interest rate the entity would have to pay to borrow the amount necessary to obtain an asset of similar value, in a similar economic environment with similar terms and conditions.

The right-of-use asset is initially measured at cost, comprising the initial value of the lease liability, any lease payments made (net of any incentives received from the lessor) before the commencement of the lease, any initial direct costs and any restoration costs.

For changes to existing contracts such as fair market rent reviews or other modifications, a remeasurement is recorded in both right-of-use asset and lease liability based upon the net present value of the incremental change of cashflows discounted at the IBR.

Right of use assets (ROUA) are measured at either:

- their carrying amount as if IFRS 16 had been applied since the lease commencement date, discounted by the group's incremental borrowing rate as at 29 April 2019. The group has applied this methodology to the majority of its property leases where sufficient historical information has been available to facilitate this.

- An amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments. This has been applied to a small number of property leases where it was not possible to ascertain sufficient historical data to enable a retrospective calculation. This method has also been applied to the group's other assets.

Each right-of-use asset is depreciated over the shorter of its useful life and the lease term on a straight-line basis unless the lease is expected to transfer ownership of the underlying asset to the group in which case the asset is depreciated to the end of the useful life of the asset.

Payments in respect of leases of either short-term, low-value or based on variable rental payments continue to be charged to the income statement on a straight-line basis over the lease term.

Group as lessor

Leases in which the group does not transfer substantially all the risks and rewards incidental to ownership of an asset are classified as operating leases. Rental income arising is accounted for on a straight-line basis over the lease terms and is included in revenue in the statement of profit or loss due to its operating nature. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset and recognised over the lease term on the same basis as rental income. Contingent rents are recognised as revenue in the period in which they are earned. Leases for which the group is a lessor are classified as operating leases.

Merger reserve

The merger reserve represents capital contributions received, and amounts recognised on the acquisition of Spirit Pub Company Limited being the difference between the value of the consideration and the nominal value of the shares issued as consideration.

Taxes

Income tax

The income tax charge comprises both the income tax payable based on profits for the period and the deferred income tax. It is calculated using taxation rates enacted or substantively enacted by the balance sheet date and is measured at the amount expected to be recovered from or paid to the taxation authorities. Income tax relating to items recognised in OCI and equity are recognised in OCI and equity respectively.

Deferred tax

Deferred tax is provided for using the liability method on temporary differences at the balance sheet date between the tax bases of assets and liabilities and their carrying values in the financial statements.

Deferred tax is recognised for all temporary differences except where the deferred tax arises from the initial recognition of goodwill (for taxable temporary differences) or of an asset or liability in a transaction that is not a business combination that, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss or, in respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.
Deferred tax assets are recognised for all deductible temporary differences and carry forward of unused tax losses only to the extent that it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax losses can be utilised.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are reassessed at each balance sheet date and are recognised to the extent that it has become probable that future taxable profit will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured, on an undiscounted basis, at the tax rates that are expected to apply to the period 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.

Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to offset income tax assets and income tax liabilities, and they relate to the same taxable entity and same tax authority and when it is the intention to settle the balances on a net basis.

Deferred tax relating to items recognised in OCI and equity are recognised in OCI and equity respectively.

Uncertain tax positions

A current tax provision is recognised when the group has a present obligation as a result of a past event, and it is probable that the group will be required to settle that obligation. Tax benefits are not recognised unless it is probable that the benefit will be obtained, and tax provisions are made if it is probable that a liability will arise. The group reviews its uncertain tax positions each period in order to determine the appropriate accounting treatment.

Adjusting items and adjusted profitability measures

Management uses a range of measures to monitor and assess the group's financial performance. These measures include a combination of statutory measures calculated in accordance with IFRS and alternative performance measures (APMs). The income statement includes the following adjusted measures of profitability:

- Adjusted operating profit/loss;
- Adjusted finance costs and;
- Adjusted tax.

Management believes that APMs provide useful additional information about the group's performance, and these are used by management internally.

These measures represent the equivalent IFRS measures but are adjusted to exclude items that management considers would prevent comparison of the group's performance both from one reporting period to another and with other similar businesses. Adjusting items are not defined under IFRS. Adjusting items are classified as those which are separately identifiable by virtue of their size, nature or expected frequency and therefore warrant separate presentation or allow a better understanding of the underlying performance of the business. Presentation of these measures are not intended to be a substitute for or intended to promote them above statutory measures. The group's income statement provides a reconciliation of the adjusted profitability measures, excluding adjusting items to the equivalent unadjusted IFRS measures. Adjusting items are then further detailed in note 5 to the financial statements.

Items that are considered to be adjusting and that are therefore separately identified in order to aid comparability are one-off or non-recurring in nature such as redundancy and corporate projects costs (e.g. acquisitions) or are recurring items that distort the underlying performance of the business due to their volatility such as impairment of property plant and equipment, right-of-use assets, goodwill and intangibles and profit or losses resulting from the disposal of assets.

3 REVENUE

Revenue, which is stated net of valued added tax, is derived from the provision of goods and services which fall within the group's ordinary activities.

	53 weeks 04 January 2026 Total £m	52 weeks 29 December 2024 Total £m
Drink	**1,511.5**	1,474.1
Food	**875.3**	829.6
Rent	**48.8**	50.1
Other services	**103.4**	96.7
	2,539.0	2,450.5

4 OPERATING COSTS

Operating profit is stated after charging/(crediting):

	53 weeks 04 January 2026			52 weeks 29 December 2024		
	Before adjusting items	**Adjusting items**	**Total**	Before adjusting items	Adjusting items	Total
	£m	**£m**	**£m**	£m	£m	£m
Cost of products sold recognised as an expense	**676.0**	**-**	**676.0**	680.3	-	680.3
Employment costs (note 6)	**860.3**	**2.1**	**862.4**	801.1	11.7	812.8
Depreciation of property, plant and equipment (note 11)	**109.5**	**1.9**	**111.4**	114.6	1.0	115.6
Revaluation of investment property (note 12)	**-**	**(0.7)**	**(0.7)**	-	(0.3)	(0.3)
Depreciation of right-of-use assets (note 20)	**39.2**	**1.5**	**40.7**	38.9	-	38.9
Amortisation (note 10)	**12.2**	**-**	**12.2**	1.5	-	1.5
Net impairment charge of property, plant, and equipment (note 11), right-of-use assets (note 20) and goodwill (note 10)	**-**	**125.6**	**125.6**	-	208.5	208.5
Other operating charges	**624.4**	**(0.3)**	**624.1**	616.1	2.8	618.9
Net (profit)/loss on disposal (note 5)	**-**	**(6.5)**	**(6.5)**	-	(9.3)	(9.3)
	2,321.6	**123.6**	**2,445.2**	2,252.5	214.4	2,466.9

Fees earned by the auditor during the period consisted of:	**53 weeks 04 January 2026 £m**	52 weeks 29 December 2024 £m
Audit of the consolidated financial statements	0.3	0.3
Audit of subsidiaries	1.1	1.0
Included in other operating charges	1.4	1.3

The group's auditors provided audit-related assurances services of £4k in the period (prior period: £4k).

5 ADJUSTING ITEMS

	53 weeks 04 January 2026 £m	52 weeks 29 December 2024 £m
Included in operating profit/(loss)		
Employee costs, restructuring charges, and other legal and professional fees	**(2.4)**	(13.0)
Net impairment charge of property, plant and equipment (note 11) and right-of-use assets (note 20)	**(125.6)**	(86.4)
Net impairment charge on goodwill (note 10)	**-**	(122.1)
Net profit/(loss) on disposal of property, plant and equipment, investment property and leases	**6.5**	9.3
Revaluation of investment property (note 12)	**0.7**	0.3
Corporate transaction and project costs	**(7.8)**	(1.8)
Insurance proceeds	**6.9**	0.3
Brewery accelerated depreciation	**(1.9)**	(1.0)
Total adjusting items included in operating profit/(loss)	**(123.6)**	(214.4)
Included in financing costs		
Distribution centre interest	**(1.7)**	-
Total adjusting financing costs	**(1.7)**	-
Total adjusting items before tax	**(125.3)**	(214.4)
Included in tax		
Tax effect of adjusting items	**21.2**	21.5
Adjustment in respect of prior periods	**(4.5)**	(9.1)
Total adjusting tax	**16.7**	12.4
Total adjusting items after tax	**(108.6)**	(202.0)

Adjusting operating costs

During the period, the group incurred £2.4m (prior period: £13.0m) of restructuring costs and other legal and professional fees. The group announced a restructure in Q4 2024 which concluded in 2025, for further details see note 23.

The impairment charge consists of a net impairment charge on properties (property, plant and equipment, intangibles and right-of-use assets) of £125.6m and comprises a gross charge of £170.9m (prior period: £116.8m) offset by a reversal of previously recognised impairment losses of £45.3m (prior period: £30.4m).

In the current year the group recognised goodwill impairment charges of £nil (prior period: £122.1m), see note 10 for further details.

The net profit on disposal of property, plant and equipment and leases of £6.5m (prior period profit: £9.3m) comprises a total profit on disposal of £11.8m (prior period: £15.2m) and a total loss on disposal of £5.3m (prior period: £5.9m).

During the period the group recognised income of £6.9m (prior period: £0.3m) in respect of insurance compensation to meet the costs of restoring sites damaged by events such as fires and floods.

During the period the group recognised a gain of £0.7m (prior period: £0.3m) in respect of the revaluation of investment property.

The group incurred £7.8m (prior period: £1.8m) of costs in respect of corporate transactions and projects. This balance included professional fees, dual running costs in relation to a new distribution centre and an exceptional inventory provision.

Following the group's announcement in April 2024 of its plan to build a new modern brewery, a number of assets were identified that would become surplus to requirement following transition to the new brewery and therefore the depreciation has been accelerated resulting in an exceptional depreciation charge of £1.9m (prior period: £1.0m).

Adjusting finance costs

During the period, the group incurred dual running costs in relation to a new distribution centre. This resulted in an exceptional interest charge of £1.7m (prior period: £nil).

Adjusting tax

The adjusting tax credit of £16.7m (prior period: £12.4m) is made up of a credit of £31.3m on the above adjusting items at the prevailing rate of tax, and offset by an adjusting tax charge of £10.1m predominately in respect of the current and deferred tax movements on property, plant and equipment, together with a charge of £4.5m in respect of prior period adjustments.

Prior period adjustments include a current tax credit of £4.3m and a deferred tax charge of £8.8m which primarily relates to movements in property, plant and equipment as a result of final capital allowances claims.

6 EMPLOYMENT COSTS

Employment costs (including directors) comprise:

	53 weeks 04 January 2026	52 weeks 29 December 2024
	Total £m	Total £m
Wages and salaries	**770.8**	728.4
Social security costs	**73.4**	56.3
Pension costs (note 8)		
- Defined contribution	**16.1**	16.4
Termination benefits	**2.1**	11.7
	862.4	812.8

Key management personnel

Key management personnel are deemed to be those employees who are directors of Greene King Limited or its subsidiaries, and the senior leadership group.

Remuneration of key management personnel	**53 weeks 04 January 2026**	52 weeks 29 December 2024
	£m	£m
Short term employment benefits and benefits under long-term incentive schemes	**9.1**	9.5
Post-employment pension, medical and other benefits	**0.7**	1.1
Termination benefits	**-**	1.8
Included in other operating charges	**9.8**	12.4

Included in the key management personnel table above are amounts receivable by directors of Greene King Limited, these amounts have been separately disclosed as directors' remuneration in the table below. The post-employment pension contributions disclosed below relate to 2 directors (prior period: 2).

Directors' Remuneration	**53 weeks 04 January 2026**	52 weeks 29 December 2024
	£m	£m
Short term employment benefits and benefits under long-term incentive schemes	**2.5**	2.1
Post-employment pension, medical and other benefits	**0.1**	0.2
Included in other operating charges	**2.6**	2.3

Highest Paid Director	**53 weeks 04 January 2026**	52 weeks 29 December 2024
	£m	£m
Aggregate remuneration and benefits under long-term incentive schemes	**1.4**	1.2

The monthly average number of team members during the period was as follows:

	53 weeks 04 January 2026	52 weeks 29 December 2024
Management, sales and administration	**1,266**	1,061
Brewing and distribution	**816**	837
Retailing	**36,799**	38,690
	38,881	40,588

The figures above include 28,234 (prior period: 31,015) part-time team members. The prior period figures have been re-presented to disclose by function, where historically they were presented by division.

7 FINANCE (COSTS) / INCOME

	53 weeks 04 January 2026	52 weeks 29 December 2024
	£m	£m
Bank loans and overdrafts	**(48.7)**	(52.8)
Secured bonds and associated interest rate swaps, liquidity facilities and fees	**(49.3)**	(53.4)
Loans from related parties	**-**	(8.7)
Interest and finance costs on lease liabilities (note 20)[1]	**(24.8)**	(22.8)
Interest in respect of tax positions	**(0.1)**	(0.3)
Total finance expense for financial liabilities not classified as at fair value through profit or loss	**(122.9)**	(138.0)
Interest rate swaps and other derivatives movements		
(Loss)/gain on cash flow hedges reclassified from equity to profit or loss	**(1.4)**	0.5
	(1.4)	0.5
Total finance costs	**(124.3)**	(137.5)
Bank interest	**4.1**	3.6
Total finance income for financial assets not classified as at fair value through profit or loss	**4.1**	3.6
Net finance income from pensions (note 8)	**2.7**	2.9
Interest in respect of tax positions and adjustments	**0.3**	0.3
Total finance income	**7.1**	6.8
Net finance costs	**(117.2)**	(130.7)

[1]Of which £23.1m (prior period: £22.8m) is underlying and £1.7m (prior period: £nil) relates to adjusted finance costs. See note 5.

8 PENSIONS

Defined contribution pension schemes

The group maintains three defined contribution schemes, which are open to all new team members.

Member funds for the defined contribution schemes are held and administered by the Aviva and Nest. The total cost recognised in operating profit for the period was £16.1m (prior period: £16.4m).

Defined benefit pension schemes and post-employment benefits

The group maintains two defined benefit schemes: the Greene King Pension Scheme and the Spirit (Legacy) Pension Scheme which are closed to new entrants and are closed to future accrual. Only administrative costs and deficit recovery contributions are incurred going forward. Member funds for the defined benefit schemes are held in separate funds independently of the group's finances and are administered by pension trustees. Pension benefits are related to members' final salary at the earlier of retirement or closure to future accrual and their length of service.

The group is aware of the 2023 High Court ruling relating to the validity of certain historical pension changes in the case of Virgin Media Limited, and the appeal to the Court of Appeal which was dismissed in 2024. The group, with assistance from an independent external advisor, has performed a review of readily available deeds executed during the period from 1997 to 2016 in respect of both its defined benefit pension schemes and has concluded that it is likely that an actuarial confirmation was obtained in each instance where one would have been required under Regulation 42 of the Occupational Pension Schemes (Contracting-out) Regulations 1996. In 2025, the government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historic benefit changes met the necessary standards. Whilst there is some uncertainty, the group doesn't anticipate any financial impact of any consequential remeasurement, should it ever prove necessary. The group will continue to monitor developments related to this ruling.

Greene King Pension Scheme

The Trustees are required to carry out an actuarial valuation every three years. The result of this valuation determines the level of contributions payable by the group. The last triennial valuation of the Greene King Pension Scheme was performed by the Scheme actuary for the trustees as at 5 April 2024. The valuation as at 5 April 2024 revealed a funding surplus of £21.8m and that no recovery plan is required. As such, the monthly employer contributions into the escrow account ceased in April 2025. The funds in the escrow account will not be treated as an asset of the scheme but will have access in specific circumstances. The next triennial actuarial valuation of the Greene King Pension Scheme will be as at 5 April 2027.

The scheme was closed to future accruals on 30 September 2012. The group's contributions directly into the scheme during the period were £nil (prior period: £nil). The group's contributions into escrow were £1.2m (prior period: £3.2m).

An actuarial valuation was carried out for IAS 19 purposes as at 04 January 2026 by a qualified independent actuary.

Spirit (Legacy) Pension Scheme

The Trustees are required to carry out an actuarial valuation every three years. The result of this valuation determines the level of contributions payable by the group. The last triennial valuation of the Spirit (Legacy) Pension Scheme was performed by the Scheme actuary for the trustees as at 30 June 2024. The valuation as at 30 June 2024 revealed a funding surplus of £0.1m and that no recovery plan is required. The next triennial actuarial valuation of the Spirit (Legacy) Pension Scheme will be as at 30 June 2027.

The scheme was closed to future accruals on 6 April 2005. The group's contributions during the period were £nil (prior period: £nil).

The Spirit Pension scheme has done two buy-ins which provides insurance for a proportion of its members; the total insured value is c.£160m. An actuarial valuation was carried out for IAS 19 purposes as at 04 January 2026 by a qualified independent actuary.

The pension schemes are exposed to inflation and interest rate risks, as well as changes in the life expectancy for pensioners. As the schemes' assets include investments in quoted equity shares, the group is also exposed to equity market risk. The majority of the bonds held by the schemes relate to UK government and corporate bonds in addition to liability driven investment (LDI) instruments and secured income funds.

Income Statement

	Pension schemes					
	04 January 2026			29 December 2024		
	Greene King £m	**Spirit £m**	**Total £m**	Greene King £m	Spirit £m	Total £m
Interest on pension scheme assets	**14.5**	**16.0**	**30.5**	12.8	14.8	27.6
Interest on scheme liabilities	**(12.1)**	**(15.7)**	**(27.8)**	(10.6)	(14.1)	(24.7)
Net interest on net defined benefit asset	**2.4**	**0.3**	**2.7**	2.2	0.7	2.9

The values of the schemes' liabilities have been determined by a qualified actuary based on the results of the last actuarial valuation, updated to 4 January 2026 using the following principal actuarial assumptions:

	04 January 2026		29 December 2024	
	Greene King	**Spirit**	Greene King	Spirit
Discount rate	**5.5%**	**5.6%**	5.5%	5.5%
Expected pension payment increases	**2.8%**	**2.8%**	3.0%	3.0%
Rate of inflation (RPI)	**2.9%**	**2.9%**	3.2%	3.2%
Rate of inflation (CPI)	**2.5%**	**2.5%**	2.7%	2.7%
The mortality assumptions imply the following expectations of years of life from age 65:				
Man currently aged 40	**22.2**	**22.3**	22.3	21.6
Woman currently aged 40	**24.8**	**24.2**	25.1	24.1
Man currently aged 65	**20.5**	**19.7**	20.7	19.3
Woman currently aged 65	**23.0**	**22.2**	23.3	22.0

Mortality assumptions are based on standard tables adjusted for scheme experience and with an allowance for future improvement in life expectancy.

The table below shows the investment allocation of pension assets against the related liabilities of the pension schemes:

	04 January 2026			29 December 2024		
	Greene King £m	**Spirit £m**	**Total £m**	Greene King £m	Spirit £m	Total £m
Investment quoted in active markets						
Equities	**-**	**36.1**	**36.1**	-	36.6	36.6
Bonds	**252.7**	**175.6**	**428.3**	257.5	174.4	431.9
Unquoted investments						
Annuities insurance contracts	**2.2**	**73.9**	**76.1**	2.3	79.4	81.7
Cash	**6.6**	**4.1**	**10.7**	6.9	4.1	11.0
Total fair value of assets	**261.5**	**289.7**	**551.2**	266.7	294.5	561.2
Present value of scheme liabilities:						
Funded plans	**(216.7)**	**(278.3)**	**(495.0)**	(224.6)	(288.2)	(512.8)
Non-current asset recognised	**44.8**	**11.4**	**56.2**	42.1	6.3	48.4

£199.6m (prior period: £221.1m) of the bonds shown in the table above are liability-driven investments designed to broadly move in line with the changes in the value placed on the schemes' liabilities.

The movements in the pension schemes' assets/(liabilities) during the period are as follows:

	Pension assets		Pension liabilities		Net Pension
	Greene King	Spirit	Greene King	Spirit	Asset
	£m	£m	£m	£m	£m
Post-employment assets/(liabilities) at 31 December 2023	**291.2**	**337.8**	**(243.7)**	**(320.8)**	**64.5**
Pension interest income/(costs) recognised in the income statement	12.8	14.8	(10.6)	(14.1)	2.9
Benefits paid	(14.2)	(15.6)	14.2	15.6	-
Remeasurement gains/(losses) in other comprehensive income:					
Return on plan assets (excluding amounts included in net interest expenses)	(23.1)	(42.5)	-	-	(65.6)
Actuarial changes arising from changes in demographic assumptions	-	-	(0.1)	-	(0.1)
Actuarial changes arising from changes in financial assumptions	-	-	22.2	30.8	53.0
Experience adjustments	-	-	(6.6)	0.3	(6.3)
Post-employment assets/(liabilities) at 29 December 2024	**266.7**	**294.5**	**(224.6)**	**(288.2)**	**48.4**
Pension interest income/(costs) recognised in the income statement	14.5	16.0	(12.1)	(15.7)	2.7
Benefits paid	(15.3)	(15.9)	15.3	15.9	-
Remeasurement gains/(losses) in other comprehensive income:					
Return on plan assets (excluding amounts included in net interest expenses)	(4.3)	(5.0)	-	-	(9.3)
Actuarial changes arising from changes in demographic assumptions	-	-	0.8	5.6	6.4
Actuarial changes arising from changes in financial assumptions	-	-	5.8	6.2	12.0
Experience adjustments	-	-	(1.9)	(2.1)	(4.0)
Post-employment assets/(liabilities) at 04 January 2026	**261.6**	**289.6**	**(216.7)**	**(278.3)**	**56.2**

Presented in the balance sheet as follows:

	4 January 2026	29 December 2024
	£m	£m
Post-employment assets	**56.2**	48.4

The sensitivities regarding the principal assumptions assessed in isolation that have been used to measure the scheme liabilities are set out below:

	Decrease/(increase) in liability	
	04 January 2026	29 December 2024
	£m	£m
0.5% points increase in discount rate	**23.9**	25.2
0.5% points increase in inflation assumption	**(15.6)**	(16.3)
Additional one-year increase to life expectancy	**(16.8)**	(16.5)

There are no expected contributions to the defined benefit plan in future years and there are also no minimum funding requirements.

The average duration of the defined benefit scheme's obligations at the end of the period is 11 years (prior period: 11 years).

9 TAXATION

Consolidated income statement	**04 January 2026 Total £m**	29 December 2024 Total £m
Income tax		
Corporation tax	**3.1**	2.8
Current income tax	**3.1**	2.8
Adjustment in respect of prior periods	**(4.3)**	3.1
	(1.2)	5.9
Deferred tax		
Origination and reversal of temporary differences	**3.7**	(2.7)
Adjustment in respect of prior periods	**8.8**	6.0
	12.5	3.3
Tax charge in the income statement	**11.3**	9.2

Group statement of comprehensive income	**04 January 2026 £m**	29 December 2024 £m
Deferred tax		
Remeasurement gain/(loss) on defined benefit pension schemes	**1.3**	(4.7)
Net (loss)/gain on revaluation on cash flow hedges	**(0.4)**	4.2
Total deferred tax charge	**0.9**	(0.5)

Reconciliation of income tax charge for the period	**04 January 2026 £m**	29 December 2024 £m
The effective rate of taxation is lower (prior period: lower) than the main rate of corporation tax.		
The differences are explained below:		
(Loss)/profit before tax	**(23.4)**	(147.1)
(Loss)/profit before tax multiplied by the tax rate of 25% (prior period: 25%)	**(5.8)**	(36.8)
Adjusted for the effects of:		
Expenditure not allowable	**0.7**	31.2
Deferred tax in respect of PP&E	**11.5**	5.3
Deferred tax movements on IFRS16 balances	**0.4**	0.4
Adjustment in respect of prior periods – current tax	**(4.3)**	3.1
Adjustment in respect of prior periods – deferred tax	**8.8**	6.0
Income tax charge reported in the income statement	**11.3**	9.2

Note 5 discusses the adjusting tax items.

Income tax position

The group's current tax receivable of £5.6m (prior period: £13.3m) reflects the amount of tax due from HMRC in respect of the current period.

Deferred tax

The deferred tax included in the group's balance sheet is as follows:

Deferred tax assets	Capital losses £m	Derivatives £m	Corporate interest restriction £m	Other temporary differences £m	Trading losses £m	Total £m
At 31 December 2023	**43.0**	**7.7**	**91.1**	**3.2**	**14.4**	**159.4**
Reallocation	-	-	-	3.8	-	3.8
Charge to equity/comprehensive income	-	(4.2)	-	-	-	(4.2)
Credit/(charge) to the income statement	(3.6)	-	6.1	2.0	(3.9)	0.6
At 29 December 2024	**39.4**	**3.5**	**97.2**	**9.0**	**10.5**	**159.6**
Charge to equity/comprehensive income	-	0.4	-	-	-	0.4
Credit/(charge) to the income statement	**3.7**	-	(6.2)	(2.7)	(4.0)	(9.2)
At 04 January 2026	**43.1**	**3.9**	**91.0**	**6.3**	**6.5**	**150.8**

Deferred tax liabilities	Computer software & brand intangibles £m	Post-employment assets £m	Accelerated capital allowances £m	Unrealised gains £m	IFRS 16 £m	Total £m
At 31 December 2023	**-**	**(16.2)**	**(84.0)**	**(124.4)**	**(8.8)**	**(233.4)**
Reallocation	(3.8)	-	-	-	-	(3.8)
Charge to equity/comprehensive income	-	4.7	-	-	-	4.7
(Charge)/credit to the income statement	0.4	(0.7)	(5.1)	5.1	(3.6)	(3.9)
At 29 December 2024	**(3.4)**	**(12.2)**	**(89.1)**	**(119.3)**	**(12.4)**	**(236.4)**
Reallocation	(8.8)	-	8.8	-	-	-
Charge to equity/comprehensive income	-	(1.3)	-	-	-	(1.3)
(Charge)/credit to the income statement	(0.2)	(0.6)	(10.5)	7.8	0.2	(3.3)
At 04 January 2026	**(12.4)**	**(14.1)**	**(90.8)**	**(111.5)**	**(12.2)**	**(241.0)**

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset income tax assets and income tax liabilities and when it is the intention to settle the balances on a net basis. Deferred tax assets and liabilities have therefore been offset and disclosed on the balance sheet as follows.

	04 January 2026 £m	29 December 2024 £m
Net deferred tax liability	**(90.2)**	(76.7)

At 04 January 2026, the group had unused trading losses of £26.0m (prior period: £42.0m) and unused capital losses of £790.1m (prior period: £779.5m). A deferred tax asset of £6.5m (prior period: £10.5m) has been recognised in respect of trading losses. A deferred tax asset of £43.1m (prior period: £39.4m) has been recognised in respect of capital losses. Current legislation allows the group's tax losses to be carried forward indefinitely.

Of the net deferred tax asset on corporate interest restriction, £34.7m (prior period: £41.9m) has been recognised against the future performance of the Group under IAS 12.29. Forecasts have been prepared showing that these tax losses are expected to be fully utilised in accordance with the corporate interest restriction rules within the forecast period. There is no expiry date on the corporate interest restrictions.

Factors that may affect future tax charges

The Group is subject to a rate of corporation tax of 25% for the period (prior period: 25%). The net deferred tax liability has been calculated using the rates at which each temporary difference is expected to reverse.

Under Finance (No. 2) Act 2023 enacted 20 June 2023, a global minimum effective tax rate of 15% is introduced for periods of account beginning on or after 31 December 2023. Top-up taxes payable under this legislation are known as Pillar Two income taxes.

The Group is part of the wider CK Asset Holdings Limited group which has made an assessment of the potential exposure to Pillar Two income taxes. Safe harbour provisions are expected to apply for the UK and therefore the Greene King Group does not anticipate any top-up taxes in the period ended 4 January 2026. Should the wider CK Asset Holdings Limited group be liable for top-up taxes in respect of any non-UK jurisdiction(s), this is not expected to be payable in the UK.

10 GOODWILL AND INTANGIBLES

	Brand intangibles £m	Computer Software £m	Total intangibles £m	Goodwill £m
Cost				
At 31 December 2023 and 29 December 2024	26.4	-	26.4	1,119.0
Additions	-	15.4	15.4	-
Transfer from property, plant and equipment	-	34.6	34.6	-
At 04 January 2026	**26.4**	**50.0**	**76.4**	**1,119.0**
Impairment and amortisation				
At 31 December 2023	11.1	-	11.1	194.3
Amortisation	1.5	-	1.5	-
Impairment	-	-	-	122.1
At 29 December 2024	**12.6**	**-**	**12.6**	**316.4**
Amortisation	1.6	10.6	12.2	-
Transfer from property, plant and equipment	-	10.8	10.8	-
At 04 January 2026	**14.2**	**21.4**	**35.6**	**316.4**
Net book value				
At 04 January 2026	**12.2**	**28.6**	**40.8**	**802.6**
At 29 December 2024	13.8	-	13.8	802.6
At 31 December 2023	15.3	-	15.3	924.7

Brand intangibles were recognised as part of business combinations. Brand intangibles are amortised over the expected life of the asset and have an average remaining useful life of 8 years.

During the period to 04 January 2026, computer software assets have been transferred from property, plant and equipment (see also note 11). A net impairment charge of £nil was recognised within the period.

The level of impairment allocated to computer software intangible assets is predominantly dependent upon judgments used in arriving at fair values, future growth rates and the discount rate applied to cash flow projections. The net impact on the impairment charge of applying different assumptions to fair values, the growth rates used to calculate cash flow projections and in the pre-tax discount rates used to estimate value in use (as defined in note 11) would be £nil.

All goodwill was recognised as part of business combinations. Goodwill has been allocated to reporting segments, the lowest group of cash-generating units in the group at which goodwill is monitored internally, based on the extent that the benefits of acquisitions flow to that segment.

During the period to 04 January 2026 the group has recognised a goodwill impairment charge of £nil (prior period: £122.1m).

The carrying amount of goodwill is allocated as follows:

	04 January 2026 £m	29 December 2024 £m Restated
Greene King pubs	**494.8**	494.8
Destination Brands	**118.5**	118.5
Pub Partners	**117.5**	117.5
Ventures	**31.2**	31.2
Brewing & Brands	**40.6**	40.6
	802.6	802.6

2025 has been restated to reflect the new reporting segments, see note 2 for further details.

Goodwill impairment testing

The recoverable amount of Greene King pubs, Destination Brands, Pub Partners and Brewing & Brands was determined on a value-in-use basis, using cash flow projections which are based on the latest strategic plan approved by the board, and in all cases exceeded the carrying amount. The recoverable amount of Ventures was determined on a fair value less costs to of disposal basis, based on internal and external valuations, and exceeded the carrying amount.

The key assumption used in the value-in-use calculations are forecasted cash flows which are based on the group's latest board approved five-year strategic plan. Other assumptions used in the value-in-use calculation include the pre-tax discount rate and a long-term growth rate used to extrapolate cash flows beyond the forecasted period:

- The discount rate has been based on the group's WACC of 8.5% (prior period: 9.1%). As the risk factors are considered to be similar in each of the group's reporting segments the same discount rate is applied to all five divisions; and
- A long-term growth rate of 2.0% (prior period: 2.0%) in Greene King pubs, Destination Brands and Pub Partners and -1.5% (prior period: -1.5%) in Brewing & Brands has been used. These rates are all below the long-term UK inflation and reflect the anticipated trends in future trading performance.

Estimates of fair value less costs of disposal are based on both internal and external valuations, with the latest external valuation being performed in December 2025. The valuation considers assumptions such as current and future projected income levels, which take account of the location and quality of the pub. In addition, recent market transactions in the sector and potential alternative use values have been considered. The valuation techniques applied are consistent with the principles in IFRS 13 Fair Value Measurement. As they use significant unobservable inputs, this is a recurring fair value measurement falling within Level 3 of the fair value hierarchy, which is further explained in note 22.

Sensitivity to changes in assumptions

The goodwill valuation is most sensitive to changes in the assumptions used for forecasted cash flows, pre-tax discount rate, judgments used in arriving at fair values and long-term growth rate. Management considers that reasonably possible changes in assumptions would be an increase in pre-tax discount rate of 0.5%, a 10% reduction in the 5-year strategic plan net cash flows, a 10% reduction in fair value less costs of disposal or a deterioration in the long-term growth rate by 25%.

The 10% reduction in the 5-year strategic plan net cash flows, the deterioration in the long-term growth rate by 25% and 0.5% increase in discount rate would result in additional impairment of goodwill in the Pub Partners and Brewing & Brands divisions only, see below. The remaining sensitivities would not result in an impairment of goodwill.

	Pub Partners £m	Brewing & Brands £m
A 10% reduction in the 5-year strategic plan net cash flows	74.9	3.8
A 25% reduction in long-term growth rate	51.6	-
A 0.5% increase in discount rate	50.0	-

11 PROPERTY, PLANT AND EQUIPMENT

	Licensed estate		Other		
	Land and buildings £m	**Plant and equipment £m**	**Land and buildings £m**	**Plant and equipment £m**	**Total £m**
Cost					
At 31 December 2023	**3,639.1**	**1,489.8**	**80.5**	**192.2**	**5,401.6**
Additions (see below)	48.3	113.2	6.0	25.3	192.8
Transfer to property, plant and equipment held for sale	(2.3)	(0.8)	(2.4)	(0.6)	(6.1)
Transfer from Licensed estate	(18.6)	(13.9)	18.6	13.9	-
Disposals	(13.9)	(17.0)	(9.4)	(8.2)	(48.5)
Reclassification (see below)	-	-	5.2	(5.2)	-
At 29 December 2024	**3,652.6**	**1,571.3**	**98.5**	**217.4**	**5,539.8**
Additions (see below)	49.7	123.4	10.3	24.2	207.6
Transfer to property, plant and equipment held for sale	(9.5)	(2.8)	(9.5)	(3.8)	(25.6)
Transfer from Licensed estate	(27.4)	(6.2)	27.4	6.2	-
Transfer to intangibles	-	(5.2)	-	(29.4)	(34.6)
Disposals	(14.2)	(17.7)	(10.3)	(1.2)	(43.4)
At 04 January 2026	**3,651.2**	**1,662.8**	**116.4**	**213.4**	**5,643.8**
Depreciation and impairment					
At 31 December 2023	**293.5**	**980.3**	**22.8**	**121.5**	**1,418.1**
Depreciation	18.1	83.0	1.0	13.5	115.6
Written back on disposals	(4.2)	(13.8)	(5.3)	(7.2)	(30.5)
Impairment (see below)	97.6	13.8	1.5	0.1	113.0
Impairment reversal (see below)	(24.1)	(2.8)	(0.6)	(0.4)	(27.9)
Transfer from Licensed estate	(9.0)	(11.4)	9.0	11.4	-
Transfer to property, plant and equipment held for sale	(0.7)	(0.6)	(0.1)	(0.5)	(1.9)
At 29 December 2024	**371.2**	**1,048.5**	**28.3**	**138.4**	**1,586.4**
Depreciation	18.6	81.3	0.9	10.6	111.4
Written back on disposals	(8.5)	(14.8)	(3.3)	(0.2)	(26.8)
Impairment (see below)	141.8	19.7	4.5	0.5	166.5
Impairment reversal (see below)	(38.4)	(5.0)	(0.6)	-	(44.0)
Transfer from Licensed estate	(11.9)	(4.2)	11.9	4.2	-
Transfer to intangibles	-	(1.4)	-	(9.4)	(10.8)
Transfer to property, plant and equipment held for sale	(3.2)	(2.3)	(3.7)	(3.2)	(12.4)
At 04 January 2026	**469.6**	**1,121.8**	**38.0**	**140.9**	**1,770.3**
Net book value					
At 04 January 2026	**3,181.6**	**541.0**	**78.4**	**72.5**	**3,873.5**
At 29 December 2024	3,281.4	522.8	70.2	79.0	3,953.4
At 31 December 2023	3,345.6	509.5	57.7	70.7	3,983.5

Additions in the period	**04 January 2026 £m**	29 December 2024 £m
Consideration paid for Freehold reversion	-	1.8
Transfer of right-of-use assets (note 20)	-	2.6
Transfer of lease liabilities (note 20)	-	(1.1)
Total capitalised for freehold reversions	-	3.3
Other property, plant and equipment additions	**207.6**	189.5
Total additions	**207.6**	192.8

The licensed estate relates to properties, and assets held within those properties which are licensed to sell alcohol (i.e. managed, tenanted, and leased houses). Other assets relate to property, plant and equipment associated with unlicensed properties (i.e. brewing, distribution, and central assets).

Reclassification

In the prior period, following a review, assets of £5.2m were reclassified to land and buildings from plant and equipment.

The net book value of land and buildings comprises:

	04 January 2026 £m	29 December 2024 £m
Freehold properties	**3,118.7**	3,202.5
Leasehold property improvements >50 years unexpired term	**86.4**	92.8
Leasehold property improvements <50 years unexpired term	**54.9**	56.3
	3,260.0	3,351.6

The disaggregation of land and buildings into assets leased to tenants under operating leases and those held by the group is as follows:

	04 January 2026			29 December 2024		
Licensed Estate	**Leased to tenants £m**	**Used by the group £m**	**Total £m**	Leased to tenants £m	Used by the group £m	Total £m
Cost	**825.8**	**2,825.4**	**3,651.2**	800.4	2,852.2	3,652.6
Depreciation and impairment	**(157.1)**	**(312.5)**	**(469.6)**	(146.8)	(224.4)	(371.2)
Net Book Value	**668.7**	**2,512.9**	**3,181.6**	653.6	2,627.8	3,281.4

Charges over assets

Included in property, plant and equipment are assets with a group net book value of £1,963.9m (prior period: £1,980.5m) over which there are first charges in favour of the securitised debt holders of the Greene King secured financing vehicle.

Future capital expenditure

	04 January 2026 £m	29 December 2024 £m
Contracted for	**39.8**	15.8

Impairment of property, plant and equipment

The net impairment charge for is made up as follows:

	04 January 2026 £m	29 December 2024 £m
Impairment	**166.5**	113.0
Reversal of impairment	**(44.0)**	(27.9)
Net impairment	**122.5**	85.1

The group considers that each of its individual pubs is a cash-generating unit (CGU). Each CGU is reviewed annually for indicators of impairment or impairment reversal. When indicators of impairment or impairment reversal are identified the carrying value of the CGU is compared to its recoverable amount. The recoverable amount for assets impaired or with impairment reversal were based on the higher of value in use or fair value less cost of disposal.

The group estimates value in use using a discounted cash flow model. The key assumption used in the value-in-use calculations are forecasted cash flow projections which are based on the latest strategic plan approved by the board. Other assumptions used in the value-in-use calculations are the discount rate applied to those cash flows of 8.5% (prior period: 9.1%) and the long-term growth rate of 2.0% (prior period: 2.0%) in Greene King pubs, Destination Brands, Pub Partners and Ventures which is below the long-term UK inflation rate and reflects anticipated trends in future trading performance. As risk factors are considered to be similar in each of the group's reporting segments the same level of discount rate is applied to all.

Estimates of fair value less costs of disposal are based on both internal and external valuations, with the latest external valuation being performed in December 2025. The valuation considers assumptions such as current and future projected income levels, which take account of the location and quality of the pub. In addition, recent market transactions in the sector and potential alternative use values have been considered.

The valuation techniques applied are consistent with the principles in IFRS 13 Fair Value Measurement. As they use significant unobservable inputs, this is a recurring fair value measurement falling within Level 3 of the fair value hierarchy, which is further explained in note 22.

Sensitivity to changes in assumptions

The level of impairment is predominantly dependent upon judgments used in arriving at fair values, future growth rates and the discount rate applied to cash flow projections. The net impact on the impairment charge of applying different assumptions to fair values, the growth rates used to calculate cash flow projections and in the pre-tax discount rates used to estimate value in use would be as follows:

	04 January 2026 £m	29 December 2024 £m
A 10% reduction in fair value less cost of disposal	**21.5**	18.3
A 10% reduction in the 5-year strategic plan net cash flows	**24.7**	27.9
A 0.5% pts increase in discount rate	**27.3**	25.5
A 25% reduction in long-term growth rate	**21.1**	20.0

12 INVESTMENT PROPERTIES

	Investment properties £m	**Total £m**
Fair Value		
At 31 December 2023	**6.0**	**6.0**
Additions	5.6	5.6
Disposals	(0.4)	(0.4)
Increase in fair value	0.3	0.3
At 29 December 2024	**11.5**	**11.5**
Additions	1.3	1.3
Increase in fair value	0.7	0.7
At 04 January 2026	**13.5**	**13.5**

Amounts recognised in profit and loss for investment properties:

	04 January 2026 £m	29 December 2024 Restated £m
Rental income	**0.8**	0.4
Direct operating expenses from property that did not generate rental income	**-**	0.1
Direct operating expenses from property that did generate rental income	**-**	-

The prior period comparative for rental income has been restated as was incorrectly disclosed.

Investment properties are properties held for returns on sales or rental and are not occupied by the group. They are carried at fair value and any changes in fair values are presented in the profit or loss as part of other operating expenses, see note 4. The current period valuations were performed in December 2025 by Christies, independent chartered surveyors, acting as external valuers, on an open market value. The valuation considers assumptions such as the location and quality of the asset and expected income yield. In addition, recent market transactions in the sector and potential alternative use values have been considered. The valuation techniques applied are consistent with the principles in IFRS 13 Fair Value Measurement. As they use significant unobservable inputs, this is a recurring fair value measurement falling within Level 3 of the fair value hierarchy, which is further explained in note 22.

Future capital expenditure	**04 January 2026 £m**	29 December 2024 £m
Contracted for	**0.3**	1.6

13 OTHER FINANCIAL ASSETS

	04 January 2026 £m	29 December 2024 £m
Trade loans (net of provision)	**4.5**	4.9
Total current	**4.5**	4.9
Trade loans (net of provision)	**9.7**	9.4
Total non-current	**9.7**	9.4

Trade loans are net of provisions of £3.5m (prior period: £3.5m). During the period £nil (prior period: £nil) of the provision was utilised, £nil (prior period: £nil) of the provision was reversed and £nil new provisions were made (prior period: £0.3m).

Information about the group's exposure to credit and market risks, and impairment losses for Trade Loans is included in note 22.

Trade loans are advanced to customers on terms linked to supply terms such that returns are greater than interest income. The gross fixed rate trade loans amounted to £12.0m (prior period: £11.3m) and gross variable rate trade loans amounted to £5.7m (prior period: £6.5m). Included in fixed rate loans are £9.7m of loans with settlement related to purchase levels (prior period: £10.5m). The write-down of these loans has been taken on a straight-line basis over the remaining term of the loan as an approximation of the settlement within revenue.

The fixed rate trade loans had a weighted average interest rate of 0.04% (prior period: 0.04%) and a weighted average period of 4.93 years (prior period: 4.13 years). Interest rates on variable rate trade loans are linked to base rates.

	04 January 2026 £m	29 December 2024 £m
Trade loans (net of provision)		
Balance at beginning of period	**14.3**	13.9
Advances	**6.6**	6.9
Repayments	**(6.7)**	(6.2)
Provisions made	**-**	(0.3)
Balance at end of period	**14.2**	14.3

14 SUBSIDIARY UNDERTAKINGS

Greene King Limited is the beneficial owner of all of the equity share capital, either itself or through subsidiary undertakings, of the following companies.

Subsidiary undertakings	Principal activity	Country of incorporation	Registration Number	Holding	Proportion of voting rights and ownership
Directly held by Greene King Limited					
Greene King CH Investments Limited[1,4]	Property	England & Wales	13598718	Ordinary shares	100%
Greene King Commercial Investments Limited[1]	Property	England & Wales	13598563	Ordinary shares	100%
Greene King Developments Limited[1,5]	Dormant	England & Wales	07425525	Ordinary shares	100%
Greene King Investments Limited[1,4]	Holding company	England & Wales	07426985	Ordinary shares	100%
Greene King Pension Scheme Limited[1,5]	Pension trustee	England & Wales	00916075	Ordinary shares	100%
Greene King Properties Limited[1]	Property	England & Wales	07543698	Ordinary shares	100%
Greene King Property Development Limited[1,4]	Property	England & Wales	13598526	Ordinary shares	100%
Greene King Pubs Limited[1,5]	Holding company	England & Wales	07427021	Ordinary shares	100%
Greene King Residential Investments Limited[1,4]	Property	England & Wales	13588101	Ordinary shares	100%
Greene King Retailing Parent Limited[1]	Holding company	England & Wales	05265454	Ordinary shares	100%
Johoco 2029 Limited[3]	Holding company	England & Wales	09211866	Ordinary shares	100%
Spirit Pub Company Limited[1,4]	Holding company	England & Wales	07662835	Ordinary shares	100%
Indirectly held by Greene King Limited					
Bar Lounge Limited[3]	Retailing	England & Wales	04755626	Ordinary shares	100%
Belhaven Brewery Company Limited[2]	Dormant	Scotland	SC022860	Ordinary shares	100%
Greene King Hospitality Limited[1,5]	Holding company	England & Wales	06996820	Ordinary shares	100%
Greene King Brewing and Retailing Limited[1]	Brewing and retailing	England & Wales	03298903	Ordinary shares	100%
Greene King Neighbourhood Estate Pubs Limited[1,5]	Dormant	England & Wales	05073303	Ordinary shares	100%
Greene King Retail Services Limited[1]	Employment	England & Wales	03324496	Ordinary shares	100%
Greene King Retailing Limited[1]	Pub retailing	England & Wales	05265451	Ordinary shares	100%
Greene King Services Limited[1]	Non-trading	England & Wales	03324493	Ordinary shares	100%
Hickory's (ROS) Ltd[3]	Retailing	England & Wales	08119161	Ordinary shares	100%
Hickory's Smokehouse Limited[3]	Non-trading	England & Wales	07122366	Ordinary shares	100%
Hickory's (West Kirby) Limited[3]	Non-trading	England & Wales	08118716	Ordinary shares	100%
Huggins and Company Limited[1,5]	Dormant	England & Wales	00056674	Ordinary shares	100%
LFR Group Limited[2,5]	Dormant	Scotland	SC202775	Ordinary shares	100%
Premium Dining Restaurants and Pubs Limited[2]	Non-trading	Scotland	SC181811	Ordinary shares	100%
Spirit (Legacy) Pension Trustee Limited[1,5]	Pension trustee	England & Wales	07729971	Ordinary shares	100%
Spirit Financial Holdings Limited[1,4]	Holding company	England & Wales	04320672	Ordinary shares	100%
Spirit Group Equity Limited[1,5]	Holding company	England & Wales	04271971	Ordinary shares	100%
Spirit Group Holdings Limited[1,5]	Holding company	England & Wales	04872028	Ordinary shares	100%
Spirit Group Parent Limited[1,4]	Holding company	England & Wales	04872039	Ordinary shares	100%
Spirit Group Retail Limited[1,4]	Non-trading	England & Wales	03794854	Ordinary shares	100%
Spirit Intermediate Holdings Limited[1,4]	Holding company	England & Wales	04914762	Ordinary shares	100%
Spirit Managed Holdings Limited[1,5]	Holding company	England & Wales	04271973	Ordinary shares	100%
Spirit Managed Inns Limited[1,5]	Dormant	England & Wales	05266815	Ordinary shares	100%
Spirit Parent Limited[1,4]	Holding company	England & Wales	04271748	Ordinary shares	100%
Spirit Pub Company (Holdco) Limited[1,5]	Holding company	England & Wales	07662211	Ordinary shares	100%
Spirit Pub Company (Leased) Limited[1]	Leasing of public houses	England & Wales	05699544	Ordinary shares	100%
Spirit Pub Company (Managed) Limited[1]	Pub retailing	England & Wales	05269240	Ordinary shares	100%
Spirit Pub Company (Services) Limited[1,4]	Non-trading	England & Wales	05266811	Ordinary shares	100%
Spirit Pub Company (SGE) Limited[1,4]	Holding company	England & Wales	07662502	Ordinary shares	100%
Spirit Pub Company (Trent) Limited[1]	Pub retailing	England & Wales	05746068	Ordinary shares	100%
Spirit Pubs Debenture Holdings Limited[1,5]	Holding company	England & Wales	05266779	Ordinary shares	100%
Spirit Pubs Parent Limited[1,4]	Holding company	England & Wales	05267589	Ordinary shares	100%
The Chef & Brewer Group Limited[1,4]	Non-trading	England & Wales	00455013	Ordinary shares	100%
Upstairs at the Grill Limited[3]	Non-trading	England & Wales	04750556	Ordinary shares	100%

1. Registered office: Westgate Brewery, Bury St. Edmunds, Suffolk, IP33 1QT.

2. Registered office: Belhaven Brewery, Brewery Lane, Dunbar, East Lothian, EH42 1PE.

3. Registered office: Lea Hall Farm, Lea Lane, Aldford, Cheshire, United Kingdom, CH3 6JQ.

4. These companies are exempt from the requirement to prepare individual audited financial statements in respect of the 53 week period ended 04 January 2026 by virtue of sections 479A and 479C of the Companies Act 2006.

5. These companies are exempt from the requirement to prepare and file individual dormant financial statements in respect of the 53 week period ended 04 January 2026 by virtue of sections 394A-C and 448A-C of the Companies Act 2006.

15 INVENTORIES

	04 January 2026 £m	29 December 2024 £m
Raw materials and work in progress	**2.6**	2.9
Finished goods and goods for resale	**43.7**	50.1
Consumable stores	**3.6**	3.2
	49.9	56.2

Inventory provisions increased by £1.1m (prior period decrease: £0.4m) in the period.

16 TRADE AND OTHER RECEIVABLES

	04 January 2026 £m	29 December 2024 £m
Trade receivables	**58.9**	63.9
Other receivables	**29.9**	26.6
Total current	**88.8**	90.5
Pension escrow account	**10.2**	8.6
Amounts owed from related parties (note 29)	**22.0**	22.0
Total non-current	**32.2**	30.6

Trade and other receivables are non-interest bearing. Other receivables, recognised at fair value, primarily relate to amounts due from suppliers in respect of rebates and accrued income.

Trade receivables are shown net of a loss allowance of £6.4m (prior period: £6.1m). Information about the group's exposure to credit and market risks, and impairment losses for trade receivables is included in note 22.

The amounts owed from related parties of £22.0m relates to an undocumented loan which bears no interest and is repayable on demand, there is no intention to call repayment of the balance for a period of 12 months from the balance sheet date and therefore the balance has been classified as non-current.

17 CASH AND CASH EQUIVALENTS

	04 January 2026 £m	29 December 2024 £m
Cash at bank and in hand	**132.6**	104.5
Cash and cash equivalents for cash flow	**132.6**	104.5

Included in cash at bank and in hand and short-term deposits is £87.8m (prior period: £112.6m) held within securitised bank accounts which are only available for use by the Greene King secured financing vehicle.

The Greene King secured financing vehicle comprises Greene King Retailing Parent Limited and one of its subsidiaries.

The group operates two notional pools, between which the group's account bank has no right of offset. The group's accounting policy is to derecognise trade payables and cash on the date it initiates an electronic payment. In respect of the prior period, on 27 December 2024 the group initiated a batch of supplier payments and accordingly the corresponding trade payable and cash balances were derecognised on this date. The payments settled on 31 December 2024. As a result of this accounting treatment, in the prior period, the carrying value of cash for one of the notional pools was negative as at the balance sheet date. As neither notional pool was overdrawn on a cash basis on the balance sheet date or the settlement date of the payments in question, this negative balance of £26.6m has been presented within cash at bank and in hand.

Interest receivable on cash and short-term deposits is linked to prevailing interest rates and is received either monthly or quarterly.

18 PROPERTY, PLANT AND EQUIPMENT HELD FOR SALE

	04 January 2026 £m	29 December 2024 £m
Property, plant and equipment held for sale	**13.2**	4.2

At the year end, property, plant and equipment held for sale of £13.2m (prior period: £4.2m) represents pubs that are being actively marketed for sale with expected completion dates within one year. The value of property, plant and equipment held for sale represents the expected net disposal proceeds; further details on the valuation of the property, plant and equipment less costs of disposal are held in note 11. The impairment charge on assets held for sale was £6.8m (prior period: £0.7m).

19 TRADE AND OTHER PAYABLES

	04 January 2026 £m	29 December 2024 £m
Trade payables	**90.9**	114.8
Other payables		
– Other taxation and social security costs	**62.4**	89.7
– Accruals and deferred income	**301.1**	240.8
– Interest payable	**3.6**	4.8
Total current	**458.0**	450.1

Trade payables and other payables are non-interest bearing. Interest payable is mainly settled monthly, quarterly, or semi-annually throughout the period, in accordance with the terms of the related financial instrument.

20 LEASES

Group as a lessee

The group has lease contracts for property and various items of plant, machinery, vehicles and other equipment used in its operations. Rental contracts are on average for a lease term of 30 years. The group's obligations under its leases are secured by the lessor's title to the leased assets. Generally, the group is restricted from assigning and subleasing the leased assets and some contracts require the group maintain certain financial ratios. There are several lease contracts that include extension and termination options and variable lease payments, which are further discussed below.

The group also has certain leases of machinery with lease terms of 12 months or less and leases of office equipment with low value. The group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases.

Information about leases for which the group is a lessee is presented below:

	Right-of-use assets		
	Property £m	**Plant and Equipment £m**	**Total £m**
Cost			
At 31 December 2023	**608.8**	**52.4**	**661.2**
Additions	21.5	13.6	35.1
Disposals	(13.6)	(5.5)	(19.1)
Transfer to property, plant and equipment (note 11)	(2.9)	-	(2.9)
Remeasurement	(63.2)	0.1	(63.1)
At 29 December 2024	**550.6**	**60.6**	**611.2**
Additions	19.5	10.8	30.3
Disposals	(14.8)	(6.4)	(21.2)
Remeasurement	7.0	(2.1)	4.9
At 04 January 2026	**562.3**	**62.9**	**625.2**
Depreciation and impairment			
At 31 December 2023	**138.2**	**20.0**	**158.2**
Depreciation	29.1	9.8	38.9
Written back on disposals	(9.7)	(5.8)	(15.5)
Transfer to property, plant and equipment (note 11)	(0.3)	-	(0.3)
Impairment	1.3	-	1.3
At 29 December 2024	**158.6**	**24.0**	**182.6**
Depreciation	29.9	10.8	40.7
Written back on disposals	(7.2)	(6.0)	(13.2)
Impairment	3.1	-	3.1
At 04 January 2026	**184.4**	**28.8**	**213.2**
Net book value			
At 04 January 2026	**377.9**	**34.1**	**412.0**
At 29 December 2024	392.0	36.6	428.6
At 31 December 2023	470.6	32.4	503.0

Impairment of Right-of-use assets

The net impairment charge for is made up as follows:

	04 January 2026 £m	29 December 2024 £m
Impairment	**4.4**	3.8
Reversal of impairment	**(1.3)**	(2.5)
Net impairment	**3.1**	1.3

The group considers that each of its individual pubs is a cash-generating unit (CGU), ROUA has been considered within the wider impairment process of property, plant and equipment. For details on the impairment process see note 11.

Sensitivity to changes in assumptions

The level of impairment is predominantly dependent upon judgments used in arriving at fair values, future growth rates and the discount rate applied to cash flow projections. The net impact on the impairment charge of applying different assumptions to fair values, the growth rates used to calculate cash flow projections and in the pre-tax discount rates used to estimate value in use would be as follows:

	04 January 2026 £m	29 December 2024 £m
A 10% reduction in fair value less cost of disposal	**0.4**	0.3
A 10% reduction in the 5-year strategic plan net cash flows	**0.4**	0.6
A 0.5% pts increase in discount rate	**0.1**	0.3
A 25% reduction in long-term growth rate	**0.1**	0.1

Lease liabilities

Lease liabilities included in the statement of financial position	£m
As at 31 December 2023	**557.8**
Additions	35.1
Interest expense relating to lease liabilities	22.8
Disposals	(7.1)
Transfer to property, plant and equipment (note 11)	(1.1)
Remeasurements	(63.1)
Repayment of lease liabilities (including interest)	(53.7)
As at 29 December 2024	**490.7**
Additions	30.8
Interest expense relating to lease liabilities	24.8
Disposals	(9.6)
Transfer to property, plant and equipment (note 11)	-
Remeasurements	4.6
Repayment of lease liabilities (including interest)	(54.4)
As at 04 January 2026	**486.9**

Maturity of lease liability

	04 January 2026 £m	29 December 2024 £m
Current	**34.4**	25.1
Non-current	**452.5**	465.6
Maturity analysis – contractual undiscounted cashflows:		
Less than one year	**60.5**	51.2
One to five years	**192.3**	185.
More than five years	**501.9**	540.4
Total undiscounted lease liabilities	**754.7**	777.3

Amounts recognised in the statement of profit and loss

	04 January 2026 £m	29 December 2024 £m
Depreciation on right-of-use assets		
Property	**29.9**	29.1
Plant and equipment	**10.8**	9.8
Other lease expense and sublease income	**3.8**	2.4
Impairment of right-of-use assets	**3.1**	1.3
Charged to Operating Profit	**47.6**	42.6
Interest expense related to lease liabilities	**24.8**	22.8
Charge to Profit before Taxation for leases	**72.4**	65.4

The total cash outflow for leases was £54.4m (prior period: £53.7m).

Extension and termination options

Some property leases contain extension or termination options exercisable by group before the end of the non-cancellable period. Where practicable, the group seeks to include these options in new leases to provide operational flexibility. These extension and termination options held are exercisable only by the group and not by the lessors. The group assesses at lease commencement whether it is reasonably certain to exercise the extension or termination options. The group reassesses whether it is reasonably certain to exercise the options if there is a significant event or significant change in circumstances within its control. During the period extension options of £2.4m were accounted for (prior period: £79.5m reversal) following a reassessment of the likelihood of exercising these options.

The group has estimated that the potential future lease payments, should it exercise the extension options, would result in an increase in future cash outflows of £245.1m (prior period: £255.4m) and should it exercise the termination options, would result in a decrease in cash outflows of £11.3m (prior period: £2.3m).

21 BORROWINGS

		04 January 2026			29 December 2024		
	Repayment date	**Current £m**	**Non-current £m**	**Total £m**	Current £m	Non-current £m	Total £m
Bank overdrafts	On demand	**-**	**-**	**-**	-	-	-
Bank Loans:							
– Revolving loans	2026-2030	**99.9**	**507.3**	**607.2**	494.7	79.8	574.5
– Term Loans	2028-2029	**-**	**399.0**	**399.0**	80.0	298.9	378.9
Other Loans:							
– Loan advance	On demand	**311.0**	**-**	**311.0**	311.0	-	311.0
Secured debt:							
– Issued by Greene King Finance plc	2031 to 2036	**71.5**	**818.1**	**889.6**	68.2	889.6	957.8
		482.4	**1,724.4**	**2,206.8**	953.9	1,268.3	2,222.2

Bank overdrafts

Overdrafts are utilised for the day-to-day management of cash. The group has facilities of £10.0m (prior period: £10.0m) available with interest linked to base rate.

Bank loans – unsecured

The group has available unsecured loan facilities totalling £1,170.0m, comprising £770.0m revolving loan facilities and £400.0m term loan facilities. This includes three new £200.0m, £370.0m and £100.0m revolving loan credit facilities, and one new £100.0m term loan credit facility, which were executed in 2025. The loans are guaranteed by CK Asset Holdings Limited, the group's ultimate parent. The facilities are available to be used for general corporate purposes.

Of the £770.0m (prior period: £720.0m) available under the revolving loan facilities, £610.0m (prior period: £575.0m) was drawn down at the period end with a carrying value of £607.2m (prior period: £574.5m) which included £2.8m (prior period: £0.5m) of fees. Of the £400.0m term loan facilities, £400.0m was fully drawn with a carrying value of £399.0m (prior period: £378.9m) which included £1.0m (prior period: £1.1m) of fees.

Under the revolving loan facilities, any amounts drawn down bear interest at a margin above SONIA and commitment interest is charged on the undrawn portions. Interest is payable upon repayment of each drawdown, which vary in length. Although any individual drawdowns are repayable within 12 months of the balance sheet date, the group expects to renew this funding and immediate renewal is available until the maturity of the facilities which fall between December 2026 and November 2030. Under each facility, final repayment of the total drawn-down balance is due as one payment on the maturity date.

Under the term loan facilities, the drawn amount bears interest at a margin above SONIA and interest is payable at the end of each interest period, which may vary in length. The drawn amount is repayable on maturity of the facilities which fall between February 2028 and December 2029.

Other loans - unsecured

The group has available an unsecured revolving loan facility with CKA Holdings UK Limited, an intermediate parent. The facility is available to be used for general corporate purposes.

Of the £1,500.0m (prior period: £1,500.0m) available under the facility, £nil (prior period: £nil) was drawn down at the year end with a carrying value of £nil (prior period: £nil).

Any amounts drawn down bear interest at a fixed rate of 7.0%. Interest is payable following the end of each interest period which are typically 3 months in length. Drawn amounts are repayable on maturity of the facility in November 2028.

The group has a loan advance of £311.0m (prior period: £311.0m) from CKA Holdings UK Limited. This is repayable on demand and bears a 0% interest rate.

Greene King secured financing vehicle

The group has issued various tranches of bonds in connection with the securitisation of pubs operated by Greene King Retailing Limited. The bonds are secured over the properties and their future income streams and were issued by Greene King Finance plc.

The group's securitised debt issued by Greene King Finance plc consists of the following tranches:

		Carrying value (£m)[1]					
Tranche	**Nominal value (£m)**	**04 January 2026**	29 December 2024	**Interest**	**Interest rate (%)[2]**	**Last repayment period**	**Weighted average life[3]**
A2	138.8	**137.9**	154.2	Fixed	5.32	2031	3.1 years
A4	186.2	**185.5**	203.6	Fixed	5.11	2034	4.4 years
A6	166.1	**164.5**	179.0	Fixed	4.06	2035	5.3 years
A7	183.5	**181.6**	201.0	Fixed	3.59	2035	4.7 years
B1	120.9	**120.5**	120.5	Floating	6.96	2034	7.4 years
B2	99.9	**99.6**	99.5	Floating	6.92	2036	9.5 years
	895.4	**889.6**	957.8				

1. Carrying value is net of related deferred finance fees.
2. Includes the effect of interest rate swap rates on the floating rate notes; the group's interest rate swap arrangements are discussed in note 22.
3. Assumes notes are held until final maturity.

The interest payable on each of the floating rate tranches is as follows:

Tranche	**Interest rate payable[1]**	**Interest rate swap**	**Total interest rate**
B1	S+1.80%	5.16%-S	6.96%
B2	S+2.08%	4.84%-S	6.92%

1. For the floating rate bonds the interest rate payable is the compounded SONIA plus 0.1193% (this sum being denoted by "S" above) plus the margin as shown.

Repayment of the principal is made by quarterly instalments, in accordance with the repayment schedule, over the period shown above. Payment of interest is made on quarterly dates for all classes of bond. All of the floating rate bonds are fully hedged using interest rate swaps.

The Class A2, A4, A6 and A7 bonds rank pari passu in point of security and as to payment of interest and principal and have preferential interest payment and repayment rights over the Class B bonds. The Class B1 and B2 bonds rank pari passu in point of security, principal repayment and interest payment.

The securitisation is governed by various covenants, warranties and events of default, many of which apply to Greene King Retailing Limited, a group company. These include covenants regarding the maintenance and disposal of securitised properties and restrictions on its ability to move cash to other group companies. The group has complied with these covenants in 2025 and 2024.

The group has available liquidity facilities totalling £205.0m (prior period: £224.0m) which can only be used for the purpose of meeting the securitisation's debt service obligations should there ever be insufficient funds available from operations to meet such payments. There were no drawdowns under these facilities during the period and the drawn down amount at the year end was £nil (prior period: £nil).

22 FINANCIAL INSTRUMENTS

The group holds the following financial instruments:

		04 January 2026			29 December 2024		
		Current	**Non-current**	**Total**	Current	Non-current	Total
	Note	**£m**	**£m**	**£m**	£m	£m	£m
Financial assets							
Financial assets at amortised cost							
Trade receivables	16	**58.9**	**-**	**58.9**	63.9	-	63.9
Pension escrow account	16	**-**	**10.2**	**10.2**	-	8.6	8.6
Other Financial assets	13	**4.5**	**9.7**	**14.2**	4.9	9.4	14.3
Cash and cash equivalents	17	**132.6**	**-**	**132.6**	104.5	-	104.5
Amounts owed from related parties	16	**-**	**22.0**	**22.0**	-	22.0	22.0
		196.0	**41.9**	**237.9**	173.3	40.0	213.3
Financial liabilities							
Liabilities at amortised cost							
Trade payables and accruals	19	**355.0**	**-**	**355.0**	360.4	-	360.4
Borrowings	21	**482.4**	**1,724.4**	**2,206.8**	953.9	1,268.3	2,222.2
Lease liabilities	20	**34.4**	**452.5**	**486.9**	25.1	465.6	490.7
		871.8	**2,176.9**	**3,048.7**	1,339.4	1,733.9	3,073.3
Derivative financial instruments							
Designated as hedging instruments	22	**3.0**	**12.5**	**15.5**	1.0	12.9	13.9
		874.8	**2,189.4**	**3,064.2**	1,340.4	1,746.8	3,087.2

Financial risk management

The primary treasury objectives of the group are to identify and manage the financial risks that arise in relation to underlying business needs and provide secure and competitively priced funding for the activities of the group. If appropriate, the group uses financial instruments and derivatives to manage these risks.

The principal financial instruments held for the purpose of raising finance for operations are bank loans and overdrafts, secured bonds and cash. Other financial instruments arise directly from the operations of the group, such as trade receivables, trade payables, trade loans and lease liabilities.

Derivative financial instruments, interest rate swaps, are used to manage the interest rate risks related to the group's operations and financing sources. No speculative trading in derivative financial instruments is undertaken.

The main risks arising from the group's financial instruments are interest rate risk, liquidity risk and credit risk. The policy for managing each of these risks is set out below.

Derivatives

The group has the following derivative financial instruments:

Financial instruments qualifying for hedge accounting

At 04 January 2026 the group held two (prior period: two) interest rate swap contracts. The group uses interest rate swaps to fix the interest rate payable on the floating rate tranches of its securitised debt. These swaps are hedges of the B1 and B2 tranches, receiving a variable rate of interest based on SONIA and paying a fixed rate of 5.155% on the B1 tranche and 4.837% on the B2 tranche. The weighted average fixed rate of the swaps was 5.0% (prior period: 5.0%).

The interest rate swaps have the same critical terms as the associated securitised debts including payment dates, maturities and notional amounts (note 21). It is expected that the value of the interest rate swap contracts and the value of the corresponding hedged items will systematically change in the opposite direction in response to movements in the underlying interest rates. The hedge ratio is 1:1. Sources of ineffectiveness that might affect the hedging relationship are the counterparty's credit risk, and changes in the timing and amount of the interest payments. Prospective hedge effectiveness testing is performed. The interest rate swaps have been assessed as highly effective during the period and are expected to remain highly effective over their remaining contract lives. The ineffectiveness during the period, which is recognised within finance costs, amounted to £nil (prior period: £nil).

Interest rate swaps designated as part of a hedging relationship

	04 January 2026 £m	29 December 2024 £m
Carrying amount of hedging instruments (included within derivative financial instruments)	**15.5**	13.9
Notional principal value of hedging instruments	**220.8**	220.8
Nominal amount of hedged items	**220.8**	220.8
Hedging reserve balance in respect of continuing hedges	**(10.8)**	(10.4)
Hedging (losses)/gains recognised in other comprehensive income	**(2.9)**	17.3
Amount reclassified from the hedging reserve to profit or loss in respect of continued hedges (included in finance cost) (see note 7)	**1.4**	(0.5)

Hedging reserve

	04 January 2026 £m	29 December 2024 £m
Balance at beginning of period	**(10.4)**	(23.0)
Hedging (losses)/gains recognised in other comprehensive income	**(2.9)**	17.3
Amount reclassified from the hedging reserve to profit or loss	**1.4**	(0.5)
Deferred tax on hedging reserve movements	**0.4**	(4.2)
Balance at end of period	**(11.5)**	(10.4)

Interest rate risk

Exposure to changes in interest rates on the group's borrowings is reviewed with regard to the maturity profile and cash flows of the underlying debt. The group uses a mixture of fixed and floating interest rate debt with exposure to market interest rate fluctuations primarily arising from the floating rate instruments. The group enters into interest rate swaps to manage the exposure. Both swaps are designated as cash flow hedges at the date of contract included within the accounts and tested for effectiveness at each reporting date.

In accordance with IFRS 7, the group has undertaken sensitivity analysis on its financial instruments which are affected by changes in interest rates. This analysis has been prepared on the basis of a constant amount of net debt, a constant ratio of fixed to floating interest rates, and on the basis of the hedging instruments in place at 04 January 2026 and 29 December 2024. The analysis relates only to balances at these dates and is not representative of the period as a whole. The following assumptions were made:

- Balance sheet sensitivity to interest rates applies only to derivative financial instruments, as the carrying value of debt and deposits does not change as interest rates move.
- Gains and losses are recognised within other comprehensive income or the income statement in line with the accounting policies of the group.
- Cash flow hedges were assumed to be effective or ineffective on the same basis as those as at the year end.

Based on the group's net position at the year end, a 1% increase/decrease in interest rates would change the group's profit before tax by approximately £8.7m (prior period: £8.5m) and the group's OCI by £15.2m/£16.5m (prior period: £16.3m/£17.9m). An increase in interest rates would decrease (prior period: decrease) the group's profit and increase (prior period: increase) OCI.

Whilst cash flow interest rate risk is largely eliminated, 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 significantly benefit from falls in interest rates and would be exposed to unplanned costs, such as break costs, should debt or derivative financial instruments be restructured or repaid early.
The percentage of net debt that was fixed as at the year end was 57.9% (prior period: 59.9%).

Liquidity risk

The group mitigates liquidity risk by managing cash generated by its operations combined with bank borrowings and long-term debt. The group's objective is to maintain a balance between the continuity of funding and flexibility through the use of overdrafts and bank loans. The group also monitors the maturity of financial liabilities to avoid the risk of a shortage of funds.

The standard payment terms that the group has with its suppliers is 60 days following month end (prior period: 60 days following month end).

Excess cash used in managing liquidity is held in instant-access interest-bearing bank accounts. Short-term flexibility is achieved through the use of short-term borrowing under the group's revolving credit facilities.

The table below summarises the maturity profile of the group's financial liabilities at 04 January 2026 and 29 December 2024 based on contractual undiscounted payments including interest.

04 January 2026	**Within I year £m**	**1–2 years £m**	**2–5 years £m**	**>5 years £m**	**Total £m**
Interest bearing loans and borrowings:					
– Capital	483.5	75.8	1,161.1	496.1	2,216.5
– Interest	81.2	74.6	171.0	71.9	398.7
	564.7	150.4	1,332.1	568.0	2,615.2
Interest rate swaps settled net	3.0	3.3	7.4	3.8	17.5
	567.7	153.7	1,339.5	571.8	2,632.7
Trade payables and accruals	355.0	-	-	-	355.0
Lease liabilities	60.5	54.8	137.5	501.9	754.7
	983.2	**208.5**	**1,477.0**	**1,073.7**	**3,742.4**

29 December 2024	**Within I year £m**	**1–2 years £m**	**2–5 years £m**	**>5 years £m**	**Total £m**
Interest bearing loans and borrowings:					
– Capital	955.3	152.5	538.8	584.2	2,230.8
– Interest	82.0	61.5	146.0	97.9	387.4
	1,037.3	214.0	684.8	682.1	2,618.2
Interest rate swaps settled net	1.0	1.8	6.6	7.6	17.0
	1,038.3	215.8	691.4	689.7	2,635.2
Trade payables and accruals	360.4	-	-	-	360.4
Lease liabilities	51.5	52.2	133.5	540.4	777.6
	1,450.2	**268.0**	**824.9**	**1,230.1**	**3,773.2**

Credit risk

Financial assets include trade loans, cash and cash equivalents and trade receivables. Credit risk is the risk of default by the counterparty to discharge their obligation, and the maximum exposure of the group is the carrying amount of these instruments. Other cash deposits and cash and cash equivalents are also subject to the impairment requirements of IFRS 9 however the impairment loss is immaterial.

The policy for third party trading is that all customers who wish to trade on credit terms are subject to regular credit verification procedures. Receivable balances are also monitored on an ongoing basis and provided against where deemed necessary to limit the exposure to bad debts to a non-significant level.

Security is held for certain free trade loan customers. No other significant collateral is held and there are no significant concentrations of credit risk within the group.

Impairment of financial assets
The group has three types of financial assets that are subject to the expected credit loss model:

- trade receivables
- amounts due from related parties
- other financial assets (trade loans with publicans) held at amortised cost

Impairment losses on amounts due from related parties are £nil (prior period: £nil). Impairment losses on other financial assets and trade receivables recognised in profit or loss were as follows:

	04 January 2026 £m	29 December 2024 £m
Impairment loss on trade receivables	0.8	-
Impairment loss on other financial assets (trade loans with publicans)	-	0.3
	0.8	0.3

Trade receivables
An impairment analysis is performed at each reporting date using a provision matrix to measure the expected credit losses for trade receivables. The provision rates are based on days past due. The calculation reflects the probability-weighted outcome, the time value of money and reasonable and supportable information that is available at the reporting date about past events, current conditions and forecasts of future economic conditions. The group writes off a trade receivable when there is objective evidence that the debtor is in significant financial difficulty and there is no realistic prospect of recovery.

Set out below is the information about the credit risk exposure on the group's trade receivables using a provision matrix:

	04 January 2026			29 December 2024		
	Gross	**Provision**	**Net**	Gross	Provision	Net
	£m	**£m**	**£m**	£m	£m	£m
Not past due	**55.0**	**(1.3)**	**53.7**	63.5	(2.3)	61.2
Past due						
– Less than 30 days	**4.1**	**(0.2)**	**3.9**	1.3	(0.3)	1.0
– 30-60 days	**0.9**	**(0.1)**	**0.8**	0.9	(0.5)	0.4
– Greater than 60 days	**5.4**	**(4.9)**	**0.5**	4.3	(3.0)	1.3
	65.4	**(6.5)**	**58.9**	70.0	(6.1)	63.9

Financial assets

The group measures expected credit losses for financial assets held at amortised cost by keeping a system that identifies debts that are at a high risk of non-recovery. Once the debts are moved into this system, the risk related to the debt is considered to have significantly increased. The criteria considered by the system are customers who have both sales and debt unpaid, and customers that have stopped trading with the group but have an outstanding balance. For the loans considered to be at high risk of non-recovery a lifetime expected loss is calculated.

Set out below is the movement in the allowance for expected credit losses of trade receivables and other financial assets held at amortised cost:

	Trade receivables		**Other financial assets**	
	04 January 2026 £m	29 December 2024 £m	**04 January 2026 £m**	29 December 2024 £m
As at beginning of period	**(6.1)**	(7.2)	**(3.5)**	(3.2)
Unused amounts reversed	**0.6**	0.4	**-**	-
Provision for expected credit losses recognised during the year	**(1.4)**	(0.4)	**-**	(0.3)
Provision utilised	**0.5**	1.1	**-**	-
As at end of period	**(6.4)**	(6.1)	**(3.5)**	(3.5)

Further information on the group's expected credit loss methodology can be found in note 2.

Fair values

Set out in the table below is a comparison of carrying amounts and fair values of certain of the group's financial instruments in accordance with the requirements of IFRS 7 and IFRS 13. The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced liquidation or sale. IFRS 13 requires that the classification of financial instruments at fair value be determined by reference to the source of inputs used to derive fair value.

The classification uses the following three-level hierarchy:

Level 1 - unadjusted quoted prices in active markets for identical assets or liabilities.

Level 2 - other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3 - techniques which use inputs which have a significant effect on the recorded fair value that are not based on observable market data.

		Fair value	**Carrying value**	Fair value	Carrying value
	Hierarchical classification	**04 January 2026 £m**	**04 January 2026 £m**	29 December 2024 £m	29 December 2024 £m
Financial liabilities					
Loans and borrowings					
Secured debt Issued by Greene King Finance plc	Level 1	**(861.9)**	**(889.6)**	(884.9)	(957.8)
Bank loans	Level 2	**(1,010.0)**	**(1,006.2)**	(955.0)	(953.4)
Loans from related parties	Level 2	**(311.0)**	**(311.0)**	(311.0)	(311.0)
Interest rate swaps	Level 2	**(15.5)**	**(15.5)**	(13.9)	(13.9)
Financial assets					
Other financial assets	Level 3	**14.2**	**14.2**	14.3	14.3

Carrying values of the secured debt issued by Greene King Finance plc are stated net of deferred finance fees of £5.8m (prior period: £7.0m).

Carrying values of bank loans are stated net of deferred finance fees of £3.8m (prior period: £1.6m).

Fair value of the financial assets and financial liabilities that are measured at fair value on a recurring basis

The only financial liabilities measured subsequently at fair value are interest rate swaps. The fair value of the instruments classified as Level 2 was calculated by discounting all future cash flows by the market yield curve at the balance sheet date and adjusting for, where appropriate, the group's and counterparty credit risk. Changes in credit risk had no material effect on the hedge effectiveness assessment for derivatives designated in hedge relationships. During the periods ending 04 January 2026 and 29 December 2024 there were no transfers between fair value levels 1, 2 or 3.

Fair value of financial assets and financial liabilities that are not measured at fair value (but fair value disclosures are required)

The following methods were used to estimate the fair values:

- Interest-bearing loans and borrowings - based on quoted market prices in the case of the secured debt; approximates to the carrying amount (adjusted to exclude capitalised fees) in the case of bank loans.
- Non-interest-bearing borrowings – fair value is equal to carrying value
- Financial assets - these are carried at amortised cost using the effective interest method and fair value is deemed to be the same as this.

Capital risk management

The group aims to maintain strong credit ratings and a core level of debt which optimise the weighted average cost of capital (WACC).

A number of mechanisms are used to manage net debt and equity levels (together referred to as capital) as disclosed on the balance sheet, as appropriate in light of economic and trading conditions. To maintain or adjust the capital structure, the group may adjust distributions to its immediate parent or issue new share capital to its immediate parent.

The group monitors capital using several measures including, the ratio of net debt to EBITDA and free cash flow debt service coverage. All financial covenants in relation the securitisation vehicles have been fully complied with.

23 PROVISIONS

	Property leases	**Restructuring**
	£m	**£m**
At 31 December 2023	**6.7**	**-**
Provided for	1.8	11.0
Released	(2.4)	-
Utilised	(0.4)	(4.3)
At 29 December 2024	**5.7**	**6.7**
Provided for	0.3	-
Released	(0.8)	-
Utilised	(0.6)	(6.7)
At 04 January 2026	**4.6**	**-**

Provisions have been analysed between current and non-current as follows:

	04 January 2026	29 December 2024
	£m	£m
Current	2.9	10.9
Non-current	1.7	1.5
	4.6	12.4

Property leases

The provision for property leases has been set up to cover dilapidation requirements and potential liabilities on assigned leases.

The provision represents management best estimate of the properties expected to be exited within the next 2 years and the expected cost to repair the site based on either the contractual dilapidation amount or an estimate based on historical actual dilapidation costs and external surveyor reports.

Restructuring

The restructuring provision relates to costs incurred as a result of the restructure announced in Q4 2024; both phases of the restructuring completed pre year end. The provision for restructuring was recognised as an adjusting item in the income statement in the prior period.

24 SHARE CAPITAL

	04 January 2026		29 December 2024	
	Number of issued shares	**Share capital**	Number of issued shares	Share capital
	m	**£m**	m	£m
Ordinary shares of 12.5p each – called up, allotted and fully paid				
At beginning of period	**312.1**	**39.0**	312.1	39.0
At end of period	**312.1**	**39.0**	312.1	39.0

25 RESERVES

Share premium account

Share premium represents the excess of proceeds received over the nominal value of new shares issued.

Merger reserve

The merger reserve represents capital contributions received, and amounts recognised on the acquisition of Spirit Pub Company Limited being the difference between the value of the consideration and the nominal value of the shares issued as consideration.

Capital redemption reserve

The capital redemption reserve arose from the purchase and cancellation of own share capital and represents the nominal amount of the share capital cancelled.

Hedging reserve

Hedging reserve adjustments arise from the movement in fair value of the group's derivative instruments used as an effective hedge, in line with the accounting policy disclosed in note 2. Amounts recycled to income are included within finance costs in the income statement.

Goodwill

The cumulative amount of goodwill written off to retained earnings in respect of acquisitions made prior to May 1998 amounts to £89.7m.

26 WORKING CAPITAL AND ADJUSTING CASH ITEMS

	04 January 2026	29 December 2024
	£m	£m
Decrease in inventories	**4.9**	5.0
Decrease/(increase) in trade and other receivables	**7.5**	(2.8)
Increase in trade and other payables	**8.4**	3.5
Decrease in property provisions	**(0.6)**	(0.4)
Other non-cash movement	**0.6**	(0.3)
Defined benefit pension contributions paid	**(1.2)**	(3.2)
Adjusting items	**(18.3)**	(10.1)
Working capital and adjusting cash items	**1.3**	(8.3)

27 ANALYSIS AND MOVEMENTS IN NET DEBT

	As at 29 December 2024 £m	Cash flow movements in the period[1] £m	Changes in fair value[2] £m	Other non-cash changes £m	As at 04 January 2026 £m
Cash and cash equivalents					
Cash at bank and in hand	104.5	**28.1**	**-**	**-**	**132.6**
Cash and cash equivalents for balance sheet	104.5	**28.1**	**-**	**-**	**132.6**
Overdrafts	-	**-**	**-**	**-**	**-**
Cash and cash equivalents for cash flow	104.5	**28.1**	**-**	**-**	**132.6**
Liabilities from financing activities					
Included in net debt:					
– Bank loans:					
- Revolving loans	(574.5)	**(32.0)**	**-**	**(0.7)**	**(607.2)**
- Term loans	(378.9)	**(19.8)**	**-**	**(0.3)**	**(399.0)**
– Other loans:					
- Loans from related parties	(311.0)	**-**	**-**	**-**	**(311.0)**
– Securitised borrowing	(957.8)	**69.3**	**-**	**(1.1)**	**(889.6)**
	(2,222.2)	**17.5**	**-**	**(2.1)**	**(2,206.8)**
Not included in net debt:					
– Derivative financial instruments	(13.9)	**-**	**(1.6)**	**-**	**(15.5)**
– Lease liabilities[3]	(490.7)	**29.6**	**-**	**(25.8)**	**(486.9)**
Liabilities from financing activities	(2,726.8)	**47.1**	**(1.6)**	**(27.9)**	**(2,709.2)**
Net debt including derivatives and lease liabilities	(2,622.3)	**75.2**	**(1.6)**	**(27.9)**	**(2,576.6)**
Net debt excluding derivatives and lease liabilities	(2,117.7)	**45.6**	**-**	**(2.1)**	**(2,074.2)**

1. Excludes interest payments on borrowings, which are recognised within 'cash flows from operating activities' in the group cash flow statement.
2. Includes the impact on the fair value of derivatives of scheduled interest payments which are recognised within 'cash flows from operating activities' in the group cash flow statement.
3. Other non-cash changes on Lease Liabilities incorporates £30.8m additions, £4.6m remeasurements and £(9.6)m disposals.

	As at 31 December 2023 £m	Cash flow movements in the period[1] £m	Changes in fair value[2] £m	Other non-cash changes £m	As at 29 December 2024 £m
Cash and cash equivalents					
Cash at bank and in hand	120.1	(15.6)	-	-	104.5
Cash and cash equivalents for balance sheet	120.1	(15.6)	-	-	104.5
Overdrafts	-	-	-	-	-
Cash and cash equivalents for cash flow	120.1	(15.6)	-	-	104.5
Liabilities from financing activities					
Included in net debt:					
– Bank loans:					
- Revolving loans	(818.8)	245.3	-	(1.0)	(574.5)
- Term loans	(79.9)	(298.9)	-	(0.1)	(378.9)
– Other loans:					
- Loans from related parties	(311.0)	-	-	-	(311.0)
– Securitised borrowing	(1,019.5)	62.8	-	(1.1)	(957.8)
	(2,229.2)	9.2	-	(2.2)	(2,222.2)
Not included in net debt:					
– Derivative financial instruments	(30.7)	-	16.8	-	(13.9)
– Lease liabilities[3]	(557.8)	30.9	-	36.2	(490.7)
Liabilities from financing activities	(2,817.7)	40.1	16.8	34.0	(2,726.8)
Net debt including derivatives and lease liabilities	(2,697.6)	24.5	16.8	34.0	(2,622.3)
Net debt excluding derivatives and lease liabilities	(2,109.1)	(6.4)	-	(2.2)	(2,117.7)

1. Excludes interest payments on borrowings, which are recognised within 'cash flows from operating activities' in the group cash flow statement.
2. Includes the impact on the fair value of derivatives of scheduled interest payments which are recognised within 'cash flows from operating activities' in the group cash flow statement.
3. Other non-cash changes on Lease Liabilities incorporates £35.1m additions, £(63.1)m remeasurements, £(7.1)m disposals and £(1.1)m transfer to property.

28 OPERATING LEASE ARRANGEMENTS

The group leases part of its licensed estate and other non-licensed properties to tenants. The majority of lease agreements have terms of between six months and 25 years and are classified for accounting purposes as operating leases. Most of the leases with terms of over three years include provision for rent reviews on either a three year or five-year basis.

Future minimum cash rentals receivable under non-cancellable operating leases are as follows:

	04 January 2026	29 December 2024
	£m	£m
Within one year	**37.4**	37.3
Between one and two years	**31.3**	33.7
Between two and three years	**26.3**	27.2
Between three and four years	**21.7**	21.8
Between four and five years	**17.4**	17.2
After five years	**90.4**	97.9
	224.5	235.1

29 RELATED PARTY TRANSACTIONS

Since the acquisition, the group has entered into transactions with companies connected to CK Asset Holdings Limited, its ultimate parent undertaking in the period. These have been disclosed below:

	Transaction values		**Balances outstanding**	
	04 January 2026	29 December 2024	**04 January 2026**	29 December 2024
	£m	£m	**£m**	£m
CKA Holdings UK Limited				
Interest expense and accrued interest	**-**	(8.7)	**-**	-
Loan advance	**-**	-	**(311.0)**	(311.0)

The unsecured Revolving Credit Facility has a fixed interest rate of 7.0% and matures in November 2028, with any amounts outstanding on maturity payable in November 2028.

The loan advance of £311.0m (prior period: £311.0m) is repayable on demand and bears a 0% interest rate.

	04 January 2026	29 December 2024	**04 January 2026**	29 December 2024
CK Noble (UK) Limited				
Amounts owed to Greene King Limited	**-**	-	**22.0**	22.0
Hutchison 3G UK Limited				
Rental income of base stations	**-**	0.1	**-**	-
Provision of internet and telecommunication services	**(0.2)**	(0.3)	**-**	-
Three Ireland (Hutchinson) Limited				
Provision of internet and telecommunication services	**(0.1)**	-	**-**	-
UK Power Network				
Provision of utilities	**(0.5)**	(0.2)	**-**	-
CKH IOD Data Limited				
Provision of IT consulting services	**(0.8)**	-	**-**	-
Northumbrian Water Limited				
Supply of water	**(0.5)**	(0.5)	**-**	-
British Beer and Pub Association				
Provision of laboratory and testing services	**(0.4)**	-	**-**	-
Total	**(2.5)**	(0.9)	**22.0**	22.0

Greene King Finance plc is a structured entity set up to raise bond finance for the group, and as such is deemed to be a related party. The results and financial position of the entity has been consolidated in the group's results.

Details of the remuneration for the key management personnel services are given in note 6.

30 POST BALANCE SHEET EVENTS

Post-period end, in March 2026 Greene King introduced a new estate strategy focused on building an efficient system to focus investment, maximise profitability and support each site's growth to ensure the business is best set up to execute its 2030 group-wide strategy. This included evaluating the entire estate to recognise the most suitable sites for each brand. As part of this, c.300 managed sites were identified that would be better served under different models, with half of these sites expected to be converted to leased and tenanted, or franchise venues with the other half evaluated for sale over the medium-term. The new pub estate strategy sets the business up for growth in the long-term and underscores the importance of Greene King's integrated model, encompassing Managed Pubs, Pub Partnership and Brewing. As a result of this announcement the group will revisit its cash generating units for the 2026 annual report.

31 ULTIMATE PARENT COMPANY

At 04 January 2026 the directors consider the immediate parent undertaking and immediate controlling party of Greene King Limited to be CK Noble (UK) Limited, a company incorporated in the UK. Registered at 3 More London Riverside, London, United Kingdom.

The ultimate parent undertaking and ultimate controlling party is CK Asset Holdings Limited, a company registered in the Cayman Islands and registered in Hong Kong, with its shares listed on the Stock Exchange of Hong Kong Limited.

The smallest group financial statements produced which include the results of the company are for Greene King Limited, which are these financial statements. CK Asset Holdings Limited is the largest group which includes the results of the company and for which group financial statements are prepared. CK Asset Holdings Limited's registered office is PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands and copies of its group financial statements are available from 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

COMPANY BALANCE SHEET

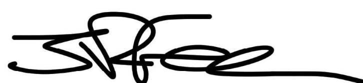
AS AT 04 JANUARY 2026

Registered number: 00024511

	Note	**04 January 2026 £m**	29 December 2024 £m
Fixed assets			
Investments	35	**4,369.4**	4,197.1
Current assets			
Debtors	36	**22.0**	115.8
Cash and cash equivalents		**4.5**	-
Creditors: amounts falling due within one year	37	**(523.9)**	(1,042.7)
Net current liabilities		**(497.4)**	(926.9)
Total assets less current liabilities		**3,872.0**	3,270.2
Creditors: amounts falling due after more than one year	38	**(906.3)**	(378.7)
Net assets		**2,965.7**	2,891.5
Capital and reserves			
Called up share capital	41	**39.0**	39.0
Share premium account	42	**1,184.4**	1,184.4
Merger reserve	42	**752.0**	752.0
Revaluation reserve	42	**2.5**	2.5
Other reserve	42	**93.9**	93.9
Retained earnings[1]		**893.9**	819.7
Equity attributable to owners of the parent		**2,965.7**	2,891.5

1 The profit and loss account of the parent company is omitted from the company's accounts by virtue of the exemption granted by section 408 of the Companies Act 2006. The profit generated in the period for ordinary shareholders and included in the financial statements of the parent company, amounted to £74.2m (prior period: loss £32.9m).

Signed on behalf of the board and authorised for issue on 29 April 2026



Jonathan Fearn

Director

COMPANY STATEMENT OF CHANGES IN EQUITY

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

	Called up share capital	Share premium account	Merger reserve	Revaluation reserve	Other reserve	Retained earnings	Total
	£m	£m	£m	£m	£m	£m	£m
At 31 December 2023	**39.0**	**1,184.4**	**752.0**	**2.5**	**93.9**	**852.6**	**2,924.4**
Loss for the period	-	-	-	-	-	(32.9)	(32.9)
Total comprehensive loss	**-**	**-**	**-**	**-**	**-**	**(32.9)**	**(32.9)**
At 29 December 2024	**39.0**	**1,184.4**	**752.0**	**2.5**	**93.9**	**819.7**	**2,891.5**
Profit for the period	-	-	-	-	-	74.2	74.2
Total comprehensive income	**-**	**-**	**-**	**-**	**-**	**74.2**	**74.2**
At 04 January 2026	**39.0**	**1,184.4**	**752.0**	**2.5**	**93.9**	**893.9**	**2,965.7**

NOTES TO THE COMPANY ACCOUNTS

FOR THE 53 WEEKS ENDED 04 JANUARY 2026

32 ACCOUNTING POLICIES

Basis of accounting and presentation

The financial statements have been prepared under the historical cost convention and in accordance with applicable UK accounting standards.

The company meets the definition of a qualifying entity under FRS 100 Application of Financial Reporting Requirements as issued by the Financial Reporting Council (FRC). The financial statements have therefore been prepared in accordance with FRS 101 Reduced Disclosure Framework.

The company has taken advantage of the following disclosure exemptions under FRS 101:

- the requirements of IAS 7: Statement of Cash Flows;
- the requirements of IAS 8: Accounting Policies, Changes in Accounting Estimates and Errors; to disclose IFRSs issued but not effective;
- the requirements of IFRS 2: Share-based payments (paragraphs 45(b) and 46 to 52);
- the requirements of IFRS 7: Financial Instruments: Disclosures;
- the requirements of IFRS 13: Fair Value Measurements;
- the requirements of IAS 24: Related Party Disclosures (to present key management personnel compensation and intragroup transactions including wholly owned subsidiaries); and
- the requirements of IAS 1: Presentation of Financial Statements, to present certain comparative information and capital management disclosures.

Where required, equivalent disclosures are included in the consolidated financial statements of the group in which the entity is consolidated.

Greene King Limited is a private company limited by shares incorporated and domiciled in England and Wales. The address of its registered office is Westgate Brewery, Bury St. Edmunds, Suffolk, IP33 1QT.

The Company's principal activities are as a holding company and in the provision of financing, via intercompany loans to fellow group undertakings.

Investments

Investments in subsidiaries are recorded at cost less impairment and held as fixed assets on the balance sheet. The carrying value of investments is reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. On transition to FRS 101, the previous GAAP carrying amount at the date of transition was regarded as deemed cost.

Taxation

Corporation tax payable is provided on taxable profits using the tax rates and laws that have been enacted or substantively enacted by the balance sheet date.

Financial instruments

Financial instruments are recognised when the company becomes party to the contractual provisions of the instrument and are derecognised when the company no longer controls the contractual rights that comprise the financial instrument, normally through sale or when all cash flows attributable to the instrument are passed to an independent third party.

Financial assets

The company classifies its amounts due from subsidiaries at amortised cost where the objective is to hold these assets in order to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest. They are initially recognised at fair value plus transaction costs and are subsequently carried at amortised cost using the effective interest rate method less provision for impairment.

The company recognises a loss allowance for expected credit losses on amounts due from subsidiaries. The methodology used to determine the amount of the expected credit loss is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset.

For those where the credit risk has not increased significantly since initial recognition of the financial asset, twelve month expected credit losses along with gross interest income are recognised. For those where the credit risk has increased significantly or determined to be credit impaired, lifetime expected credit losses along with the gross interest income or net interest income, respectively, are recognised.

Borrowings

All loans and borrowings are initially recognised at fair value of the consideration received, net of issue costs. After initial recognition, interest-bearing loans and borrowings are measured at amortised cost using the effective interest method.

Critical accounting judgments and key sources of estimation uncertainty

The preparation of financial statements requires management to make judgments, estimates and assumptions in the application of accounting policies that affect reported amounts of assets and liabilities, income and expense. The company bases its estimates and judgments on historical experience and other factors deemed reasonable under the circumstances, including any expectations of future events. Actual results may differ from these estimates. The company had no significant judgements in the period.

Critical accounting estimates

Impairment of loans to subsidiaries

The company recognised a loss allowance for expected credit losses on amounts owed by group undertakings. The methodology used to determine the amount of credit loss is based on whether there has been a significant increase in credit risk since initial recognition of the financial asset.

A review was carried out on amounts owed by group undertakings for an indication of a significant increase in credit risk. The main criteria used was to compare the risk of default occurring over the expected life of the instrument at the reporting date with the risk of default at the date of initial recognition. This review concluded that given the Greene King Limited group liquidity remained strong a 12-month ECL remained applicable for all unsecured balances whilst secured balances have been provided on remaining length of the loan.

Impairment of investments in subsidiaries

Determining whether the company's investments in subsidiaries have been impaired requires estimations of the investments' value in use. The value in use calculations require the entity to estimate the future cash flows expected to arise from the investments and suitable discount rates in order to calculate present values. The carrying amount of investments in subsidiaries at the balance sheet date was £2,395.3m (prior period: £2,449.3m) with net impairment charge in the year of £54.0m (prior period: £94.6m).

33 AUDITOR'S REMUNERATION

Auditor's remuneration for the audit of the financial statements was £39,500 (prior period: £39,500). The figures for auditor's remuneration for the company required by regulation 5(1)(b) of the Companies (Disclosure of Auditor Remuneration and Liability Limitation Agreements) Regulations 2008 are not presented here as the group accounts comply with this regulation on a consolidated basis.

34 DIRECTORS' REMUNERATION AND EMPLOYEE COSTS

The company has no employees other than directors, and the directors are not remunerated through this company. Details of employee costs are given in note 6.

35 INVESTMENTS

	Investments in subsidiaries	Loans to subsidiaries	Total
	£m	£m	£m
Cost at 29 December 2024	**2,755.3**	**1,750.6**	**4,505.9**
Additions	-	267.0	267.0
Disposals	(92.0)	-	(92.0)
Repayment	-	(40.7)	(40.7)
Cost at 04 January 2026	**2,663.3**	**1,976.9**	**4,640.2**
Impairment at 29 December 2024	**(306.0)**	**(2.8)**	**(308.8)**
Impairment	(54.0)	-	(54.0)
Disposals	92.0	-	92.0
Expected credit losses	-	-	-
Impairment at 04 January 2026	**(268.0)**	**(2.8)**	**(270.8)**
NBV at 04 January 2026	**2,395.3**	**1,974.1**	**4,369.4**
NBV at 29 December 2024	2,449.3	1,747.8	4,197.1

The net impairment charge of £54.0m (prior period: £94.6m) is made up of an impairment charge of £54.0m (prior period: £94.6m) and an impairment reversal of £nil (prior period: £nil).

Interest on the majority of amounts owed from subsidiaries accrued at a rate equal to SONIA plus a credit adjustment spread during the period. Interest accrues quarterly and amounts owed from subsidiaries are repayable on demand. There is one loan where interest accrues at 12.5% per annum and any unpaid interest on the loan accrues interest at 12.5%.

Principal subsidiaries

For a full list of all subsidiaries see note 14.

36 DEBTORS

	04 January 2026 £m	29 December 2024 £m
Amounts owed from subsidiaries	**-**	93.8
Amounts owed from parent undertaking	**22.0**	21.9
Interest receivable	**-**	0.1
	22.0	115.8

Interest on amounts owed from subsidiaries accrues at a rate of SONIA. Interest accrues half yearly and amounts owed from subsidiaries are repayable on demand. Amounts owed from parent undertaking are non-interest bearing. Expected credit losses of £nil (prior period: £0.2m) have been recognised against the carrying value of amounts owed from subsidiaries. Information about the group's exposure to credit and market risks, and impairment losses for trade receivables is included in note 22.

37 CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	04 January 2026 £m	29 December 2024 £m
Accruals	**1.7**	8.5
Amounts owed to subsidiaries	**110.3**	121.7
Bank and other loans (note 39)	**410.9**	885.7
Bank overdraft	**-**	26.8
Corporation tax payable	**1.0**	-
	523.9	1,042.7

38 CREDITORS: AMOUNTS FALLING DUE AFTER MORE THAN ONE YEAR

	04 January 2026 £m	29 December 2024 £m
Bank and other loans (note 39)	**906.3**	378.7
	906.3	378.7

39 LOANS AND OTHER BORROWINGS

	04 January 2026			29 December 2024		
	Within one year £m	**After one year £m**	**Total £m**	Within one year £m	After one year £m	Total £m
Bank overdraft	**-**	**-**	**-**	26.8	-	26.8
Bank loans:						
– Revolving loans	**99.9**	**507.3**	**607.2**	494.7	79.8	574.5
– Term loans	**-**	**399.0**	**399.0**	80.0	298.9	378.9
Other loans						
– Loan advance	**311.0**	**-**	**311.0**	311.0	-	311.0
	410.9	**906.3**	**1,317.2**	912.5	378.7	1,291.2

As explained in note 21, the company has available revolving bank credit facilities and term facilities totalling £1,170.0m of which, £1,010.0m was drawn down at the year end with a carrying value of £1,006.2m which included £3.8m of fees.

Bank loans due after one year are repayable as follows:	**04 January 2026 £m**	29 December 2024 £m

Due within one year	**99.9**	574.7
Due between two and five years	**906.3**	378.7
	1,006.2	953.4

Although any individual drawdowns under the bank revolving loans are repayable within 12 months of the balance sheet date, immediate renewal is available until the maturity of the facilities which fall between December 2026 and November 2030. The drawn amounts under the term loans are repayable on maturity of the facilities between February 2028 and December 2029. Other loans are repayable as follows:

	04 January 2026 £m	29 December 2024 £m
Due within one year	**311.0**	311.0
	311.0	311.0

The group has a loan advance of £311.0m (prior period: £311.0m) from CKA Holdings UK Limited. This is repayable on demand and bears a 0% interest rate. In addition, the group has an unsecured revolving loan facility with CKA Holdings UK Limited, an intermediate parent. The facility is available to be used for general corporate purposes. Of the £1,500.0m (prior period: £1,500.0m) available under the facility, £nil (prior period: £nil) was drawn down at the year end with a carrying value of £nil (prior period: £nil). Any amounts drawn down bear interest at a fixed rate of 7.0%. Interest is payable following the end of each interest period which are typically 3 months in length. Drawn amounts are repayable on maturity of the facility in November 2028.

40 ALLOTTED AND ISSUED SHARE CAPITAL

Allotted, called up and fully paid	**04 January 2026 £m**	29 December 2024 £m
Ordinary shares of 12.5p each		
312.1m shares (prior period: 312.1m)	**39.0**	39.0

Further information on share capital is given in note 24.

41 RESERVES

Share premium account

Share premium represents the excess of proceeds received over the nominal value of new shares issued.

Merger reserve

The merger reserve represents capital contributions received, and amounts recognised on the acquisition of Spirit Pub Company Limited being the difference between the value of the consideration and the nominal value of the shares issued as consideration.

Other reserve

The other reserve consists of £3.3m (prior period: £3.3m) capital redemption reserve arising from the purchase of own share capital and £90.6m (prior period: £90.6m) arising from transfer of revalued assets to other group companies and will only be realised when the related assets are disposed of by the group.

42 CONTINGENT LIABILITIES

The company has provided a guarantee to the Greene King Pension Scheme in respect of the payment obligations to the scheme of its subsidiary Greene King Services Limited. In the event that these obligations are not met the company will become liable for amounts due to the pension scheme; such an event is not considered probable.

Details of the group's pension schemes are included in note 8.

43 POST BALANCE SHEET EVENTS

See note 30. There are no specific company only post balance sheet events to disclose.

44 ULTIMATE PARENT COMPANY

At 04 January 2026, the directors consider the immediate parent undertaking and immediate controlling party of Greene King Limited to be CK Noble (UK) Limited, a company incorporated in the UK.

The ultimate parent undertaking and ultimate controlling party is CK Asset Holdings Limited, a company registered in the Cayman Islands with its headquarters and principal place of business in Hong Kong. The company's shares are listed on the Stock Exchange of Hong Kong Limited.

The smallest group financial statements produced which include the results of the company are for Greene King Limited, which are these financial statements. CK Asset Holdings Limited is the largest group which includes the results of the company and for which group financial statements are prepared. CK Asset Holdings Limited's registered office is PO Box 309, Ugland House, Grand Cayman KY1-1104, Cayman Islands and copies of its group financial statements are available from 7th Floor, Cheung Kong Center, 2 Queen's Road Central, Hong Kong.

ALTERNATIVE PERFORMANCE MEASURES

The performance of the group is assessed using a number of alternative performance measures (APMs).

The group's results are presented both before and after adjusting items. Adjusted profitability measures are presented excluding adjusting items as management believe this provides useful additional information about the group's performance and aids a more effective comparison of the group's trading performance from one period to the next and with similar businesses. Adjusted profitability measures are reconciled to unadjusted IFRS results on the face of the income statement with details of adjusting items provided in note 5.

In addition, the group's results are described using certain other measures that are not defined under IFRS and are therefore considered to be APMs. These measures are used by management to monitor ongoing business performance against both shorter-term budgets and forecasts but also against the group's longer-term strategic plans.

APMs used to explain and monitor group performance are found below, including a reconciliation to the nearest measure prepared in accordance with IFRS:

APM	**Definition**	**Purpose**	**Source**
Adjusted operating profit	Operating profit before adjusting items	Operating profit before separately disclosed items as set out in the Group Income Statement. Separately disclosed items are those which are separately identified by virtue of their size or incidence. Excluding these items allows an understanding of the trading of the Group.	Group income statement
Adjusted tax	Tax (charge)/credit before adjusting items	Tax before separately disclosed items as set out in the Group Income Statement. Separately disclosed items are those which are separately identified by virtue of their size or incidence. Excluding these items allows an understanding of the trading of the Group.	Group income statement
Adjusted net finance costs	Net finance costs before adjusting items	Net Finance costs before separately disclosed items as set out in the Group Income Statement. Separately disclosed items are those which are separately identified by virtue of their size or incidence. Excluding these items allows an understanding of the trading of the Group.	Group income statement
Adjusted EBITDA	Earnings before interest, tax, depreciation, amortisation and adjusting items	EBITDA before separately disclosed items. Separately disclosed items are those which are separately identified by virtue of their size or incidence. Excluding these items allows an understanding of the trading of the Group.	See below
Capital investment	The purchase of property, plant and equipment split between core capex and brand swap and new site investment	Capital investment provides clarity of the split between what is deemed to be core capital expenditure to allow an understanding of the capital investments made.	Group cash flow statement
Core Capex	Capital expenditure including asset optimisation but excluding freehold reversions, investment property, new site acquisitions and investment on acquisitions.	Core Capex provides a greater understanding of the investments into long-term assets which will facilitate growth into the future.	See below

Free cash flow (FCF)	FCF represents the net cash inflow from operating activities, adjusted for cash movements on working capital, adjusting items, tax, interest, core Capex and repayment of loans and lease liabilities	The calculation of free cash flow is based on the net cash generated by business activities and available for investment, after funding working capital, adjusting items, corporation tax, interest, lease liabilities and trade loans.	See below
Net debt	Net debt is the sum of cash and cash equivalents and other cash deposits, less total borrowings net of related accrued interest at the balance sheet date.	Net debt provides a useful measure of the financing position of the group.	Note 27
Adjusted net debt	Net debt excluding derivative financial instruments and lease liabilities.	Adjusted net debt provides a useful measure of the financing position of the group excluding derivatives and lease liabilities.	Note 27
Net interest paid	Net interest costs before adjusting items	Net interest costs before separately disclosed items as set out in the Group Income Statement. Separately disclosed items are those which are separately identified by virtue of their size or incidence. Excluding these items allows an understanding of the trading of the Group.	See below
FY25 52 week basis: • Revenue • Adjusted Operating Profit • Statutory Operating Profit • Statutory profit before tax • Core and non-core capex	FY25 53 week results pro-rated on a 52 week basis.	FY25 52 week metric to allow meaningful comparison of performance year on year.	The group's 53rd week was in P12. The 52 week basis has been calculated as P1-P11 plus P12 divided by 6 multiplied by 5 for the following metrics: • Revenue • Adjusted operating profit • Core and non-core capex The following metrics have been calculated as follows: • Statutory operating profit – adjusted operating profit (above) + total exceptional operating costs (note 5) • Statutory loss before tax – statutory operating profit – net finance cost divided by 6 multiplied by 5 add total exceptional finance costs (note 5)

A FREE CASH FLOW

	Source	**2025 £m**	2024 £m
Adjusted EBITDA	See C below	**378.3**	353.0
Working capital and adjusting items	Note 26	**1.3**	(8.3)
Add back: adjusting cash items	Note 26	**18.3**	10.1
		397.9	354.8
Tax refund/(paid)	Cash flow statement	**9.0**	(5.1)
		9.0	(5.1)
Interest received	Cash flow statement	**4.0**	3.4
Interest paid excluding interest on lease liabilities	Note E below	**(98.6)**	(113.4)
		(94.6)	(110.0)
Core capex	Note D below	**(156.6)**	(172.7)
Repayment of lease liabilities	Note 20	**(54.4)**	(53.7)
Net repayment of trade loans	Cash flow statement	**-**	(0.7)
Free cash flow		**101.3**	12.6

B EBITDA

	Source	**2025 £m**	2024 £m
Operating profit	Group Income statement	**93.8**	(16.4)
Add back: depreciation	Note 4	**152.1**	153.5
Add back: amortisation	Note 4	**12.2**	1.5
		258.1	138.6

C ADJUSTED EBITDA

	Source	**2025 £m**	2024 £m
EBITDA	See B above	**258.1**	138.6
Add back: adjusting items	Note 5	**123.6**	214.4
Less: adjusting depreciation included within Note B	Note 4	**(3.4)**	-
		378.3	353.0

D CAPITAL INVESTMENT

	Source	**2025 £m**	2024 £m
Core capex	Non-GAAP	**156.6**	172.7
New brewery, brand swap and new site investment	Non-GAAP	**61.5**	26.6
Purchase of property, plant and equipment	Cash flow statement	**218.1**	199.3
Investment in/purchase of investment property	Cash flow statement	**1.3**	5.7
Total capex		**219.4**	205.0

E NET INTEREST PAID

	Source	**2025 £m**	2024 £m
Interest received	Cash flow statement	**4.0**	3.4
Interest paid	Cash flow statement	**(123.4)**	(136.2)
Less: interest paid on lease liabilities	Note 20	**24.8**	22.8
Interest paid excluding lease liabilities		**(98.6)**	(113.4)
Net interest paid		**(94.6)**	(110.0)