



Annual Report and Accounts 2025

Delivering Shared Good Times





Our pubs operate at the heart of their communities, bringing people together for **Shared Good Times**, every day.

People-powered
Purpose-led
Performance-driven

Marston's is growing and evolving, powered by a clear purpose: Shared Good Times. It's what unites our people, creates lasting memories for our guests, and delivers real value for our stakeholders. With strong momentum and ambitious goals, we are investing and innovating to help our pubs – and the people behind them – thrive.

Our values and behaviours



Moments that matter



Everyday excellence



Win together



Always ambitious



Passionately local

Our 2025 financial highlights

Total revenue

£897.9m

2024: £898.6m

Underlying total earnings per share *

8.5p

2024: 5.2p

Underlying EBITDA*

£205.1m

2024: £192.5m

Profit before tax

£88.3m

2024: £14.4m

Total operating profit

£179.7m

2024: £151.7m

Underlying profit before tax *

£72.1m

2024: £42.1m

Recurring free cash flow

£53.2m

2024: £43.6m

* Definitions can be found on pages 114 to 117 in Additional information.

Non-financial and sustainability information statement

We comply with the non-financial reporting requirements in Sections 414CA and 414CB of the Companies Act 2006. The information set out below, together with signposts to other relevant sections of the Annual Report and Accounts, our Impact Report and our website, is intended to help stakeholders understand our position on key non-financial matters.

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Uncover the stories behind Shared Good Times

www.marstonpubs.co.uk/annual-report-2025

[READ MORE ONLINE](#)

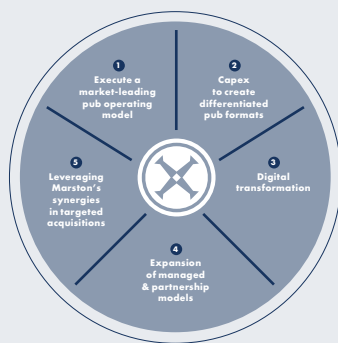
Investment case

A reliable growth company

Our vision is to be the UK's leading local pub company. Our purpose is to offer our guests the best experience and locations for Shared Good Times.

Powerful value drivers for growth

Our strategy is key to the success of our business



OUR STRATEGY SEE PAGE 8

Differentiated to win in a growing market

Suburban dominated locations

Flexible estate to evolve at pace

Pubs with scope for multi-occasions

Expertise in running local pubs

BUSINESS MODEL SEE PAGE 6

£50m+ Sustainable free cash flow generation

Like-for-like revenue growth, our targeted capex investment programme and continued focus on our market-leading pub operating model will underpin delivery of £50 million+ recurring free cash flow annually – achieved significantly ahead of target

FINANCIAL REVIEW SEE PAGE 10

Clear and consistent metrics to track success

We set ambitious targets that align with our purpose and vision

Near to medium-term targets:

Revenue growth ahead of the market

EBITDA margin expansion of 200-300 basis points, beyond FY2024

£50m+ recurring free cash flow

>30% incremental returns on investment capex

KPIS SEE PAGE 9

Progress in FY2025

Profit growth

71%

Format refurbishments

31

Recurring free cash flow

£53m

EBITDA margin expansion

140bps

Chair's statement

A strong year of progress

As I reflect on my first full year as Chair, I remain inspired by the passion, professionalism and dedication of our people.

From the thousands of colleagues across our pubs to our Board and Executive team, the commitment to delivering exceptional guest experiences is what defines Marston's – and will continue to be the foundation of our success.

FY2025 marked our first full year as a pure-play hospitality business and it has been encouraging to see the business continue to strengthen through this transformation. The strategic actions we have taken are directly aligned with the financial targets outlined at our Capital Markets Day (CMD). We remain fully committed to driving revenue growth and enhancing margins, alongside the disciplined deployment of capital to support sustainable cash generation and long-term value creation for our stakeholders.

Progress in FY2025 and plans for FY2026

FY2025 has been a strong year of progress for Marston's as we began delivering tangible results from our refreshed strategy. The rollout of our differentiated pub formats has gathered momentum. This has been supported by our demand-driving event programme, further development of our digital agenda, through

our Order & Pay platform and our clear focus on improving the guest experience across the estate – which has now reached record levels.

Margin management has been a particular strength in FY2025, contributing to improved profitability and strong recurring free cash flow. Recurring free cash flow totalled £53.2 million – exceeding our £50 million CMD target ahead of schedule – and this has helped reduce our net debt (excluding IFRS 16 lease liabilities) to £837.5 million. A strong level of cash generation is essential to our goal of returning to a position where dividends and capital returns can be reinstated.

Looking ahead to FY2026, we will continue the phased rollout of our pub formats, with an accelerated programme of planned refurbishments, whilst continuing to remain targeted and disciplined with our capital investment, aligned to clear return thresholds. At the same time, we will maintain a strong focus on margin management and cash generation, both of which are critical to supporting our long-term financial objectives.

Our Board and Executive management

This year we announced the departure of Hayleigh Lupino, our Chief Financial Officer, who left Marston's after 22 years with the business. Hayleigh's contribution has been immense – from her early finance roles through to her time on the Executive Committee, she has been pivotal in shaping the Group's financial strategy and supporting its evolution

into a leading UK hospitality business. On behalf of the Board, I want to express our sincere gratitude to Hayleigh for her outstanding service and wish her every success in the next stage of her career.

We were delighted to welcome Stephen Hopson as Chief Financial Officer in September. Stephen brings extensive financial and leadership experience across the leisure and retail sectors and has already made a strong and positive impact. His expertise will be instrumental as we continue to execute our strategy, and the Board and I look forward to working closely with him in the years ahead.

Our shareholders

The Board continues to recognise that Marston's share price trades at a material discount to its net tangible asset value. While broader market conditions remain challenging, we do not believe our current valuation reflects the progress we are making or the long-term potential of the Group. Closing this gap remains a key priority.

We are executing a new strategy that is already delivering improved profitability and strong recurring free cash flow – enabling us to reduce debt and rebuild the investment case for Marston's as a compelling equity proposition. This is a growth-focused plan, underpinned by disciplined investment in the estate and guest experiences – because no business ever shrank to greatness.

We also understand, and have heard clearly, the concerns some shareholders have raised around capital allocation, shareholder returns, and our financing structure. These remain important areas of focus for the Board. As set out at our CMD, our capital allocation approach is based on maintaining a disciplined balance between investment in the business,

ongoing deleveraging, and, ultimately, shareholder distributions. We have made encouraging progress, reducing leverage from 5.2x EBITDA (excluding lease liabilities) in 2024 to 4.6x this year, however this does remain above our target. Once leverage falls below 4.0x, we expect to be in a position to begin returning capital to shareholders. Ensuring we have the right financial structure and foundations to support both operational delivery and long-term shareholder value creation remains central to our approach.

Alongside this, we remain committed to enhancing transparency and deepening engagement with shareholders and the wider market to ensure our strategy, performance and ambitions are clearly understood. We remain confident that, over time, the valuation gap will narrow. I would like to thank our shareholders for their continued support.

Our people

Finally, I want to acknowledge the exceptional commitment and hard work of our people. Over my first full year as Chair, I have spent a great deal of time in Marston's pubs and Pub Support Centre, and I'm consistently struck by our teams' passion for hospitality, their pride in our pubs and their unwavering dedication to delivering outstanding guest experiences. It's this spirit that drives our business forward every day. On behalf of the Board, I want to thank every member of the Marston's team for their contribution this year.

With a clear strategy, a strong leadership team and the right capabilities in place, I am confident we are well positioned to deliver sustainable growth and long-term value for all our stakeholders.

Ken Lever
Chair

CEO's statement

People-powered Purpose-led Performance-driven

FY2025 has been a year of strong delivery for Marston's as we continued to focus on being the UK's leading local pub company.

We have seen encouraging results across the board – from improved profitability and margin expansion, to record guest satisfaction and recurring free cash flow ahead of our target.

With strong momentum, a high-margin platform, and our formats growth engine poised to deliver, we are well positioned to build on this foundation and continue creating long-term value for all stakeholders.

Strategic and operational delivery

In FY2025 our efforts have been firmly concentrated on delivering a market-leading pub operating model, scaling our proven guest-led pub formats, and continuing to embed digital capabilities across the business.

Each of these areas is already delivering tangible performance benefits and collectively, they are laying the foundation for long-term sustainable growth.

Market-leading pub operating model

Delivering a market-leading operating model is central to our strategy and has underpinned much of the progress made this year. At its core, our model is built around three pillars: revenue growth, cost efficiency, and guest satisfaction – all working together to create a more profitable, consistent, and scalable business. We have continued to invest in initiatives that support top-line performance, with our demand-driving event programme playing a key role. From Trivial Pursuit: 'Win a Wedge' to Pub Life and partnerships like Paddington in Peru and the Cool Hand Cup, these events have supported engagement, driven footfall and strengthened our connection with guests.

Our operational discipline has driven a 140bps improvement in EBITDA margin – a standout result that reflects the strength of our approach. Our labour scheduling tool, which is

focused on ensuring we have the right people at the right time, has helped us manage external cost pressures, while procurement and energy efficiencies continue to deliver meaningful gains. Going forward, we view cost pressures as manageable within the context of our ongoing efficiency programme, and we expect to deliver further margin uplift in the year ahead.

At the heart of our progress is an unwavering focus on the guest. Our record Reputation score of 816 reflects the pride our teams take in creating great experiences and the tangible improvements we have made across the estate. From demand-driving events and better Signature menu execution, to increased Order & Pay usage and more efficient labour scheduling, every initiative is designed to enhance service and satisfaction – and it is great to see our pubs delivering that experience more consistently than ever.

Differentiated pub formats

Our differentiated pub formats are a key future growth engine. In FY2025, we completed 31 conversions – 21 Two Doors, five Grandstands and five Woodie's – all delivered on time, on budget and generating strong guest feedback and average initial revenue uplifts of 23%. With average capex per renovation of £260k, and a return on invested capital of over 30%, these formats are delivering in terms of both guest satisfaction and financial returns. Looking ahead to FY2026, we plan to accelerate the rollout with at least 50 further conversions, all within our disciplined 7–8% capex-to-revenue range. This next phase will continue to scale one of the most exciting and high-impact levers in our strategy.

**Record Reputation score
(end of FY2025)**

816

Recurring free cash flow

£53.2m

Digital transformation

Digital transformation is playing a central role in improving both the guest experience and operational efficiency across the business. At the heart of this is our enhanced Order & Pay platform, launched in March and now live across our entire managed estate. Results have been very encouraging, with revenue per transaction up over 10%, supported by stronger upselling and premiumisation. The platform also improves speed of service – particularly in high-volume and outdoor areas – and is therefore contributing to higher guest satisfaction.

More broadly, we are embedding AI tools across the business, from forecasting and labour planning to menu development and energy efficiency. With further investments in infrastructure – including new tills, tablets and an upgraded Wi-Fi network – we are building a more connected, data-driven estate that can scale more efficiently and deliver for guests in every pub at every visit.

CEO's statement continued

Financial progress

FY2025 marked a step-change in our financial performance. We delivered another year of significant profit growth and a material improvement in recurring free cash flow – enabling us to invest in our estate, reduce debt, and strengthen the platform for future shareholder returns. Like-for-like sales growth of 1.6% remained ahead of the market and was supported by strong performance from our 31 new format launches. Underlying profit before tax from continuing operations rose 71% to £72.1 million, following a 64% uplift in FY2024, driven by disciplined cost control and strong operational execution.

Recurring free cash flow of £53.2 million exceeded our CMD target and was delivered significantly ahead of schedule. This supported further deleveraging, with net debt (excluding IFRS 16 lease liabilities) reducing to £837.5 million. Net debt (excluding IFRS 16 lease liabilities) is now down by almost a third since FY2022 and remains underpinned by a predominantly freehold estate now valued at approximately £2.2 billion. Our leverage ratio improved to 4.6x, and net asset value per share rose to £1.25, reflecting increased profitability, estate revaluation gains, and debt reduction.

Over the near-to-medium term, we continue to expect to deliver on the targets set out at our CMD, which include:

- Revenue growth ahead of the market
- EBITDA margin expansion of 200-300 basis points beyond FY2024, targeting 23.4% to 24.4%
- Over £50 million recurring free cash flow
- >30% ROIC on investment focused capex

Sustainably operating the business

In FY2025, we continued to make meaningful progress across all areas of our sustainability agenda. We now have approximately 560 EV chargers across over 200 pubs, extended our glass reuse scheme to more than 150 locations, and completed the installation of solar panels at 65 pubs. We are proud to be leading the way on food waste too – achieving 74% of our 2030 reduction target and preventing over 43 tonnes of food waste through our partnership with Too Good To Go. On the people front, we were recognised as the UK pub industry's top employer by the Financial Times and with nearly 95% of our pubs achieving a 5* EHO rating, our commitment to high operational standards remains clear. We remain focused on driving further progress in FY2026, with practical, targeted actions that make our business more sustainable for the long term.

Outlook

Marston's heads into FY2026 with real momentum. Our high-margin operating model is underpinned by strong cost discipline, a scalable digital platform, and increasing operational efficiency – all of which are driving robust cash generation and ongoing margin improvement. Record guest satisfaction, reflected in our highest-ever Reputation scores, speaks to the consistency of our offer and the pride our teams take in delivering great local pub experiences. We are well-positioned heading into the critical festive period, with bookings tracking 11% ahead of the same point last year and a strong calendar of demand-driving events in place – such as Marston's Best Ever Christmas.

The standout opportunity for FY2026 is the acceleration of our guest-led pub formats – a proven growth engine at the heart of our strategy. The 31 conversions completed in FY2025 have continued to trade well beyond their initial uplift, giving us the confidence to step up to at least 50 format launches in the year ahead, with a focus on Two Door and Grandstand. This rollout represents a scalable, repeatable model for growth – one that is resonating with guests and supporting our longer-term ambitions. As we move into FY2026, our priorities are clear: to continue to drive performance through our market-leading operating model, new formats roll-out plan & digital transformation; delivering sustainable value for shareholders.

Justin Platt

Chief Executive Officer

Section 172(1) statement

Section 172(1) of the Companies Act 2006 requires the Directors to act in a way that they consider, in good faith, would most likely promote the success of the Company for the benefit of its members as a whole, whilst also considering the likely consequences of any decisions made over the long term and the needs and interests of stakeholders. Details of how the Directors have engaged with and had regard to the interests of all our stakeholders and the need to foster the Company's relationships with those stakeholders are set out on pages 14 and 15. Principal decisions taken by the Board during the financial year are embedded throughout the report, particularly in the Chair's and CEO's statements.

Our business model

How we create value

We are a leading local pub company with an estate of over 1,300 pubs nationally. These comprise a balanced mix of managed, partnership, and leased and tenanted pubs allowing agility in cost sharing and innovation. Our differentiated and flexible operating model focused on five formats, ensures we can meet specific consumer needs and occasions, delivering Shared Good Times for all our stakeholders.

Our Shared Good Times proposition

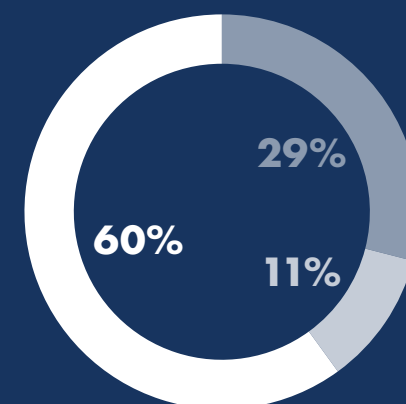
Our differentiated pub formats with wide consumer appeal:

Locals Pub	Locals Sports Pub	Family Pub	Adult Dining	Two Door Pub
Target segment				
Regulars and Locals Adults 35–64	Regulars and Locals Entertainment focused adults	Families with children	Affluent adults Adults 35–64	Families and Pub regulars
Proposition				
Share Good Times at your local	The Big Event Shared at your local	Share Good Times with all the family	Good Food Good Times	Shared Good Times for everyone

Management models

One of our key strengths is the balance between our pub management models.

- Managed pubs
- Leased & Tenanted pubs
- Partnership pubs



Outputs

Revenues

Revenue held steady at £897.9 million, with strong performance across newly converted pubs and like-for-like sales continuing to outperform the market.

EBITDA margin growth

Underlying EBITDA rose 13%, with a 140bps margin uplift, driven by improved mix, disciplined cost control, and the continued strength of our high-margin operating model.

Recurring free cash flow

A standout year for cash generation, with recurring free cash flow of £53.2 million. This exceeded our CMD target and delivered significantly ahead of schedule – unlocking greater financial flexibility going forward.

Our business model continued

Our key enablers

Our strategy and business model are underpinned by three key enablers. These support and help drive our strategic priorities, while reflecting our unique culture and how we operate responsibly and ethically.



Powerful supplier partnerships

We deliver 'Shared Good Times' by offering sector-leading food and drink, through strong partnerships with our suppliers. Our commercial marketing and procurement teams ensure high standards of quality, sustainability, and immersive guest experiences across all formats.



Performance-driven team

At Marston's, our performance is driven by the passion, expertise and dedication of our people. Every success is built around our team values and behaviours, and our teams' commitment to delivering great experiences, strong results and sustainable growth.



Safely & sustainably operating the business

From our pubs to our Pub Support Centre we are committed to protecting our people, supporting our communities and reducing our impact on the environment, ensuring we build a business that thrives for generations to come.

The value we create

OUR PEOPLE & PARTNERS

8.3

Employee engagement score

OUR GUESTS

816

Reputation score (end of FY2025)

OUR COMMUNITIES & ENVIRONMENT

560

Rapid EV charges installed throughout our communities

OUR SUPPLIERS

£560m

Total spend with UK suppliers

OUR INVESTORS

£53.2m

Recurring free cash flow

No.1

employer in UK pub industry in Financial Times

No.1

Pub Company on Reputation

2,672

Tonnes of food waste saved this year

92%

Our approved food suppliers rated BRC Grade A or above

£837.5m

Net debt reduction to £837.5m

[SEE MORE ONLINE](#)marstonpubs.co.uk

Our strategy

Our key value drivers

Our strategy will ensure we drive guest demand and deliver great pub experiences while maintaining best-in-class operations and cost efficiencies to expand profitability and cash generation.



BUSINESS MODEL SEE PAGE 6

SEE OUR IMPACT REPORT

marstonpubs.co.uk/responsibility



Execute a market-leading pub operating model

- We are focused on relentless execution and delivering on our market-leading pub operating model by balancing revenue growth, cost efficiency and guest satisfaction across our estate
- We aim to set the standard in operational excellence, ensuring high-quality service, effective cost management and an outstanding guest experience



Capex to create differentiated pub formats

- We have identified the opportunity to tailor our pub portfolio into five well-defined pub formats that meet consumer needs across different segments
- We expect these unique propositions will drive increased consumer penetration as we roll them out across our estate



Digital transformation

- We are a people-led business but we believe there is significant opportunity to complement what we do with technology
- To drive revenue, we will improve the guest journey and plan to deliver personalised, data-led interactions over time. On costs, our digital strategy focuses on labour productivity tools and AI to optimise stock management



Expansion of managed & partnership models

- One of our biggest strengths is the balance between our different management models, particularly between managed and partnership
- These models are incredibly flexible and a key means of delivering our five distinct consumer-focused formats and market-leading pub operating model



Leveraging Marston's synergies in targeted acquisitions

- Over time, we aim to leverage our significant operational strengths, established brand and scale to unlock synergies in targeted acquisitions
- By applying our proven and market-leading pub operating model and integrating digital capabilities, we expect to drive synergies from acquisitions that align with our strategic vision



Revenue growth ahead of the market



EBITDA margin expansion of 200–300 basis points



Over £50 million recurring free cash flow



>30% ROIC on investment focused capex

INVESTMENT CASE SEE PAGE 2

Our key performance indicators

Building on our progress

Our key financial and operational metrics are set out below. They track our progress towards our vision of being the UK's leading local pub company and are linked to how we are remunerated.

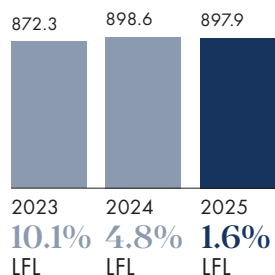
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REM

LFL revenue growth greater than the market

We aim to continue our track record of delivering growth above industry rates.

Total revenue (£m)



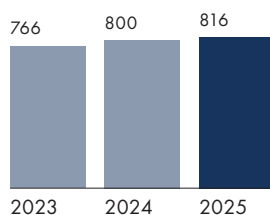
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REM

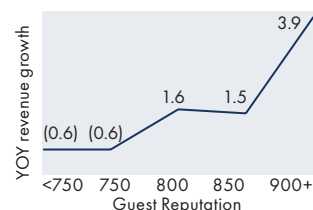
Focus on guest Reputation score

Guest satisfaction is a critical metric which we measure through our Reputation score. There is a clear link between our score and revenue growth.

Guest Reputation track record (as at year-end)



Guest Reputation drives higher revenue growth (%)



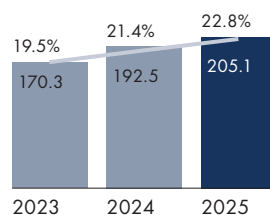
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REM

Sustained EBITDA margin expansion

Delivering cost and operational efficiencies to support sustained margin growth. The journey to margin expansion has already begun with a significant improvement YoY.

Underlying EBITDA (£m) & Underlying EBITDA margin (%)



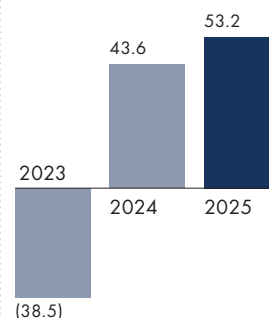
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REM

Growing free cash flow

Revenue growth and improving margin generates free cash flow and supports delivery of our strategy to be highly cash-generative.

Recurring free cash flow (£m)

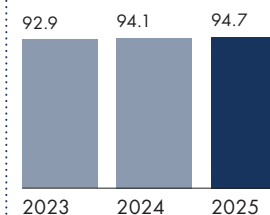


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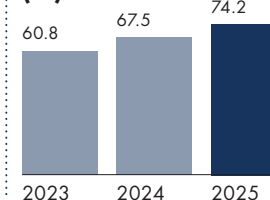
Safely and sustainably operating the business

Delivering impact through safe and sustainable business practices. We aim for all our pubs to achieve a 5* EHO rating and are targeting a 50% reduction in food waste by 2030.

Our Pubs at 5* EHO (%)



Reduction in food waste YoY to meet 2030 target (%)

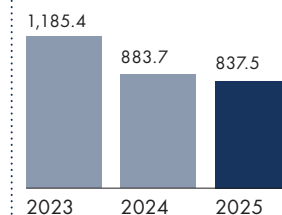


06

Material reduction in debt

Transferring debt to equity in conjunction with strategic growth to create shareholder value.

Net Debt excluding lease liabilities (£m)



Financial review

Significant profit growth and cash flow generation

Revenue

Revenue was stable at £897.9 million (2024: £898.6 million). Total sales in the Group's managed and partnership pubs for the 52-week period increased to £871.9 million (2024: £864.6 million). Like-for-like sales within our managed and partnership pubs were up 1.6% compared to FY2024, outpacing the market which grew at 0.7% (source: CGA RSM Hospitality Tracker). Like-for-like growth, although modest, was broad based, including drink like-for-like sales up 0.3% and food like-for-like sales up 2.2%. Sales were supported by our increasing focus on revenue-driving activity, 31 format conversions and consistent focus on customer service. Revenues in the tenanted and leased estate were £26.0 million (2024: £34.0 million). This follows c.£50 million of strategic disposals in FY2024 and FY2025, predominantly from the tenanted and leased estate, together with conversion of sites to the managed and partnership models.

Underlying EBITDA and operating profit

A key target for the Group, outlined at the CMD, was to grow underlying EBITDA margin by 200-300 basis points from 2024 levels, giving a target range of 23.4% to 24.4%.

The Group's profitability stepped up materially in the period. In FY2025, underlying EBITDA from continuing operations increased by 6.5% to £205.1 million (2024: £192.5 million).

The EBITDA margin was up 140 basis points to 22.8%, despite c. £10.0 million of inflationary and regulatory cost headwinds, including employment cost increases following the national insurance and national living wage changes of April 2025, as we made strong progress in executing our market-leading operating model. Significant savings were made as we rolled out enhanced labour scheduling systems, and the Group delivered central efficiencies, procurement gains, and more efficient repairs and maintenance spend, whilst investing in increased marketing expenditure and more specialist roles. We see further opportunity to increase the EBITDA margin in FY2026 as we move towards our target.

As a result of the progress made on EBITDA margin, the average EBITDA per pub in managed and partnership increased 7.5% to £161.3k, the average EBITDA per pub in Tenanted and Leased increased 2.5% to £98.6k and the overall EBITDA per pub increased 7.4% to £154.4k.

Underlying depreciation and amortisation costs of £45.2 million were broadly flat year-on-year (2024: £45.3 million).

Underlying operating profit from continuing operations increased by 8.6% to £159.9 million (2024: £147.2 million). Underlying operating margins of 17.8% grew by 140 basis points compared to the prior period (2024: 16.4%). Statutory operating profit from continuing

operations, including non-underlying items (see below), was £179.7 million (2024: £151.7 million).

Net finance costs

Underlying net finance costs were £87.8 million, substantially lower than the prior period (2024: £105.1 million) as a result of lower average net debt year-on-year, in particular following the disposal of the remaining 40% interest in Carlsberg Marston's Limited (CMBC) part way through FY2024. Please see the Debt and Financing section below for a breakdown of the components of net debt.

Underlying net finance costs include £34.8 million relating to the business's securitised debt (2024: £35.3 million), £11.9 million relating to bank borrowings (2024: £25.4 million), £23.3 million relating to other lease related borrowings (2024: £22.9 million), a £19.0 million expense relating to IFRS 16 lease liabilities (2024: £19.2 million) and £1.2 million of other items (2024: £2.3 million). There was a non-underlying charge of £3.6 million relating to the Group's interest rate swaps (2024: £32.2 million).

Profit before tax

As a result of a £12.7 million increase in underlying operating profit and a £17.3 million decrease in underlying net finance costs, underlying profit before tax from continuing operations increased year-on-year by £30.0 million, or 71.3%, to £72.1 million (2024: £42.1 million). Statutory profit

before tax from continuing operations was £88.3 million (2024: £14.4 million), with the difference reflecting a net non-underlying profit of £16.2 million, the details of which are set out below.

Non-underlying items

There was a net non-underlying profit of £16.2 million before tax. This included a £22.9 million net gain representing net reversals of previous impairments of freehold and leasehold property values, following the external estate valuation of the Group's effective freehold properties and the impairment review of the Group's leasehold properties, partially offset by £3.1 million of reorganisation, restructuring and relocation costs and a £3.6 million net expense in respect of interest rate swap movements.

In the prior period, there was a net non-underlying loss from continuing operations of £27.7 million before tax, consisting of a net loss of £32.2 million in respect of interest rate swap movements and £1.2 million of restructuring costs, partially offset by £5.7 million of net impairment reversals from the 2024 property revaluation and leasehold impairment review.

Taxation

The underlying tax charge was £18.3 million (2024: £9.0 million), with an underlying effective tax rate of 25.4% (2024: 21.4%). The effective rate is slightly higher than the standard rate of corporation tax primarily due to the impact of disallowed depreciation on non-qualifying assets offset by a prior period tax credit.

Financial review continued

Taxation continued

We expect the underlying effective tax rate to be approximately in line with the standard rate of corporation tax in future years.

Tax on non-underlying items was a credit of £1.6 million (2024: £12.1 million), driven primarily from the recognition of a £5.4 million deferred tax asset from capital losses, previously derecognised, arising from the upward revaluation of land and buildings.

The statutory tax charge was £16.7 million (2024: credit of £3.1 million) on statutory profit before tax from continuing operations of £88.3 million (2024: £14.4 million), with an effective tax rate of 18.9% (2024: negative effective tax rate of 21.5%). The effective tax rate for prior periods including discontinued operations was positively impacted by income from associates, now discontinued, recognised on a post-tax basis.

Profit after tax and earnings per share

The statutory profit after tax from continuing operations was £71.6 million, compared to £17.5 million in the prior period. In the prior period, there was a loss of £36.0 million from discontinued operations, including an impairment of the carrying value of the CMBC investment and losses on disposal. The statutory profit from both continuing and discontinued operations in the current period was £71.6 million compared to a loss of £18.5 million in the prior period.

Basic underlying earnings per share from continuing operations increased 63.5% to 8.5 pence per share (2024: 5.2 pence per share). Total statutory basic earnings per share were 11.3 pence (2024: loss of 2.9 pence).

Capital expenditure

Our capital expenditure strategy was set out at the CMD, with a near-term target spend of 7-8% of revenue, including projects to enhance the estate through differentiated formats. Making progress on this, capital expenditure was £61.2 million in the current period (2024: £46.2 million), representing 6.8% of revenue (2024: 5.1% of revenue). Of the total expenditure, £8.0 million was spent on 31 format conversions, including 21 Two-door, 5 Grandstand and 5 Woodie's. Since re-opening, these conversions have delivered sales uplifts of 23% with EBITDA returns on investment in excess of 30% in trading to date. In addition, we continued to invest in maintaining our core business and in our IT platforms.

Property and disposals

The Group's policy is to revalue its effective freehold estate on an annual basis and review its leasehold estate annually for impairment. The Group conducts an annual external valuation of all its properties to assist with this process, with all pubs inspected on a rotating basis. Approximately one-third of the estate undergoes physical inspection each year, while the remainder is subject to a desktop valuation. In June 2025, Christie & Co carried out an external valuation, the results of which are reflected in the full year accounts.

The carrying value of the estate is £2.2 billion (2024: £2.1 billion). Following the valuation, the Group recognised a £22.9 million net impairment reversal of freehold and leasehold properties in the income statement (2024: £5.7 million), and a £109.8m unrealised surplus on the revaluation of properties

(2024: £80.8 million) together with a £38.6 million reversal of past revaluation surplus (2024: £39.8 million) in other comprehensive income.

During the current period, the Group generated £6.4 million in net proceeds from non-core pub disposals (2024: £46.9 million), mainly reflecting the end of the prior period's strategic disposal programme.

The Group ended the period with 1,328 pubs (2024: 1,339 pubs), of which 1,182 were operating under the managed or partnership models (2024: 1,182) and 146 were operating under the tenanted and leased models (2024: 157 pubs).

Pensions

The balance on our defined benefit scheme was a £15.4 million surplus as at 27 September 2025 (2024: £13.1 million surplus). The Group will continue to pay the administrative fees associated with the scheme but is currently making no other contributions to the scheme.

Net asset value

The table below shows the main movements in net asset value:

	2025 £m	2024 £m	Variance £m	Variance %
Property, plant and equipment	2,181.3	2,069.0	112.3	5.4 %
Other assets excluding cash*	99.1	98.8	0.3	0.3 %
Cash*	35.9	45.5	(9.6)	(21.1)%
Total assets	2,316.3	2,213.3	103.0	4.7 %
Borrowings	(1,241.6)	(1,302.9)	61.3	4.7 %
Other liabilities	(284.0)	(255.6)	(28.4)	(11.1)%
Total liabilities	(1,525.6)	(1,558.5)	32.9	2.1 %
Net assets	790.7	654.8	135.9	20.8 %
Net asset value per share	£1.25	£1.03	£0.22	21.4 %

* 'Cash' in this table refers to cash and cash equivalents, together with other cash deposits.

Net assets increased to £790.7 million (2024: £654.8 million), with a net asset value per share of £1.25 (2024: £1.03). The main changes in net asset value were an increase in property, plant and equipment as a result of the property revaluation and the capital investment made in the business, a decrease in borrowings net of cash due to the positive progress made in generating free cash flow in the year, and an increase in deferred tax liabilities, largely as a result of the property revaluation gain.

Financial review continued

Cash flow

A summary of the Group's cash flow is shown below:

	2025 £m	2024 £m
Cash adjusted total EBITDA	203.1	192.8
Working capital movement	3.0	8.2
DB pension contributions	(1.6)	(7.5)
Corporation Tax payments	(5.3)	0.1
Net cash inflow from operating activities excluding CMBC dividend	199.2	193.6
Net interest (incl finance lease capital repayments received)	(83.2)	(98.2)
Capex	(61.2)	(46.2)
Bank fees and swap termination costs	(0.9)	(5.6)
Purchase of and sales proceeds from own shares	(0.7)	–
Recurring free cash flow (RFCF)	53.2	43.6
CMBC dividend	–	13.8
Sale of property, plant and equipment and assets held for sale	6.4	46.9
Disposal of associates	(2.8)	205.5
Net cash flow (NCF)	56.8	309.8
Debt repayments and transfers from other cash deposits	(66.4)	(291.9)
Net increase/(decrease) in cash and cash equivalents	(9.6)	17.9

There was a net cash inflow from operating activities of £199.2 million (2024: £207.4 million, £193.6 million excluding the CMBC dividend). Within this, working capital timing differences were £3.0 million (2024: £8.2 million). There were £1.6 million of payments in relation to the defined benefit pension scheme (2024: £7.5 million) following the cessation of c. £6 million annual cash contributions at the end of FY2024. Cash tax payments were £5.3 million (2024: repayments of £0.1 million), comprising payments in respect of FY2024 and payments on account for FY2025 under the 'large company' regime. As the Group's taxable profits increase, it expects to move into the 'very large company' regime in FY2026 which will result in c. 18 months of cash tax charges being included in the FY2026 cash flow.

Net interest costs including finance lease capital repayments received were £83.2 million (2024: £98.2 million) and capital expenditure was £61.2 million (2024: £46.2 million). After bank fees, swap termination costs, and the purchase of and sales proceeds from own shares, recurring free cash flow was £53.2 million (2024: 43.6 million), meeting the target set out at the CMD of recurring free cash flow of over £50 million a year.

Taking into account disposals proceeds received of £6.4 million (2024: £46.9 million), a CMBC dividend of £nil (2024: £13.8 million) and cash outflows in relation to the disposal of the Group's remaining 40% interest in CMBC of £2.8 million (2024: inflow of £205.5 million), net cash flow for the period was £56.8 million (2024: £309.8 million).

Mandatory securitised loan note repayments of £43.8 million (2024: £41.5 million), repayments of the capital element of lease liabilities relating to IFRS 16 of £8.6 million (2024: £8.4 million) and other debt repayments and transfers from other cash deposits of £14.0 million (2024: £242.0 million) resulted in an overall decrease in cash and cash equivalents of £9.6 million (2024: increase of £17.9 million).

Debt and financing

Net debt, excluding IFRS 16 lease liabilities, was £837.5 million (2024: £883.7 million), a reduction of £46.2 million. Including IFRS 16 lease liabilities of £368.2 million (2024: £373.7 million), total net debt was £1,205.7 million (2024: £1,257.4 million).

The Group has continued to make progress in net debt reduction during the year; with net debt:EBITDA excluding IFRS 16 falling from 5.2x in 2024 to 4.6x at the period end. Leverage including IFRS 16 reduced from 6.5x to 5.9x.

The Group's financing, providing an appropriate level of flexibility and liquidity for the medium term, comprises:

Debt types	Repayment/ expiry date or average length	Debt (£m)	Cash balances (£m)	Net Debt (£m)
Securitisation	2035	516.7	21.4	495.3
Securitisation liquidity facility (£120m)		–	–	–
Marston's Issuer PLC's cash		–	0.4	(0.4)
Securitisation totals		516.7	21.8	494.9
Other lease related borrowings	2047–2058	338.9	–	338.9
Bank facility (£200.0m)	July 2027	21.0	14.1	6.9
Unamortised issue costs		(3.3)	–	(3.3)
Seasonal overdraft (£5m–£10m)		–	–	–
Bank facility totals		17.7	14.1	3.6
Preference shares		0.1	–	0.1
Total excluding IFRS 16 lease liabilities		873.4	35.9	837.5
IFRS 16 lease liabilities	24 years, on average	368.2	–	368.2
Total		1,241.6	35.9	1,205.7

Financial review continued

Debt and financing continued

The securitisation debt is loan notes issued in 2005 and 2007, secured on ring-fenced properties. It is long-term debt with predictable debt servicing (capital and interest payments). All floating rate notes are economically hedged in full by the Group using interest rate swaps whereby all interest payments are swapped to fixed interest payable. The weighted average fixed interest rate payable by the Group on its securitised debt as at 27 September 2025 was 6.4%. The terms of the securitisation require a liquidity facility to be in place, of which £nil was drawn at year end.

'Other lease related borrowings' is debt recognised against properties subject to sale and leaseback arrangements with repurchase options available to the Group at nominal value. The obligations under these arrangements do not fall within the scope of IFRS 16 "Leases" and are accounted for in accordance with IFRS 9 "Financial Instruments", with the assets treated as "effective freeholds". Caps and collars are in place to limit the index-linked increases in interest costs. Currently, no capital repayments are being made on the borrowings, which are economically similar to mortgages; repayment of the capital element is expected to begin in FY2033 with full repayment by 2058.

During the current period, the Group successfully secured a one-year extension to its banking facility, which was due to expire in July 2026. The revised bank facility to July 2027 is for £200.0 million, of which £21.0 million was drawn at the year end.

IFRS 16 lease liabilities are obligations from leases including sale and leaseback arrangements that completed without an option to repurchase the asset at nominal value.

The Group holds three interest swaps in relation to its borrowing facilities with a net valuation of £(53.9) million as at the period end (2024: £(59.0) million), which are excluded from net debt.

The vast majority of our borrowings are long-dated and asset-backed, including the securitisation debt. The loan to value of securitised debt, which is decreasing year-on-year, is currently 41% (2024: 46%), and the loan to value of net debt excluding lease liabilities is 44% (2024: 50%).

In summary, we have adequate cash headroom in our financing structures to provide operational flexibility. Importantly, all of our medium to long-term financing is hedged or contains caps and collars, thereby minimising any exposure to interest rate movements. Good progress has been made in deleveraging the business and we expect this progress to continue moving forwards.

Capital allocation and shareholder returns

As set out at our CMD, our capital allocation framework is focused on enhancing long-term shareholder value through a disciplined balance of delivering strong returns on investment and deleveraging. The Board is pleased that the Group has delivered initial EBITDA returns in excess of 30% on expansionary capital. In addition, deleveraging has continued and net debt to EBITDA before IFRS 16 has fallen from 5.2x in FY2024 to 4.6x at this period end. However, leverage remains higher than target and, as such, no dividend will be paid in respect of FY2025.

Shareholder returns remain a core part of our capital allocation strategy and are planned once leverage (excluding IFRS 16) falls below 4.0x. Given the significant discount between net asset value per share and the share price, consideration will be given at that point to the use of cash for share buy backs alongside or instead of other returns of capital, taking into account further planned debt reduction, the requirement of cash for growth investment and the availability of distributable reserves.

Going concern

Having considered the Group's forecast financial position and exposure to principal risks and uncertainties, including cost and inflationary pressures, the Directors have a reasonable expectation that the Group has adequate resources to continue to operate within its borrowing facilities and covenants for a period of at least 12 months from the date of signing the financial statements. Accordingly, the financial statements have been prepared on the going concern basis. Full details are included in note 1 of the financial statements. This forecast predates the Autumn Budget 2025 and therefore does not include the impact of any specific measures which may be announced.

Notes:

- Prior period was a 52-week period to 28 September 2024.
- The Group uses a number of alternative performance measures (APMs) to enable management and users of the financial statements to better understand elements of financial performance in the period. APMs are explained and reconciled in Note 15 to the financial statements.

Stakeholder engagement

Engaging with our stakeholders

Engaging with our stakeholders leads to better business outcomes, which are essential to our long-term success. A summary of the primary ways in which we engage with all our stakeholders, and how their interests have been considered by the Board, can be found on the following pages.

Read more about our key stakeholders on our website

www.marstonpubs.co.uk

READ MORE ONLINE

Link to strategy

Value drivers



Execute a market-leading pub operating model



Capex to create differentiated pub formats



Digital transformation



Expansion of managed & partnership models



Leveraging Marston's synergies in targeted acquisitions

Key enablers



Powerful supplier partnerships



Safely & sustainably operating the business



Performance-driven team



People & Partners

How we engage

- Regular dialogue through our engagement platforms
- In-person 'listening' sessions, hosted jointly by management and members of the Board
- 'Town Hall' style meetings around key dates in our financial calendar, for all employees and Partners, hosted by the Executive Committee and members of the Leadership Group
- Encouraging a 'Speak Up' culture through various employee assistance lines and our whistleblowing platform
- Pub visits by our Board, see page 31

Outcomes

- Revision of our employer brand and rollout of simplified values and behaviours, that support the delivery of our strategy
- Implementation of a new reward platform 'Cheers', celebrating success and aligned to our values and behaviours. Access enabled for Partners too
- Review and improvements to employee benefits



Guests

How we engage

- Guest satisfaction surveys, opinion polls and close monitoring of our Reputation score
- Deep expertise in consumer insight and guest satisfaction
- Empower teams with real-time feedback and actionable insights, bringing them closer to guests and fostering a culture of continuous improvement
- Continuous review of guest journeys ensuring touchpoints deliver a seamless and memorable experience

Outcomes

- Continuous improvement in our Reputation score year-on-year, with an end of year score for FY2025 of 816 (FY2024: 800). A clear reflection of our commitment to guest satisfaction
- Launch of three of our distinct pub formats this year, to meet a broader range of guest occasions and preferences
- Enhanced decision-making and responsiveness across teams, ensuring guest feedback translates into tangible improvements in service and experience
- Upgrades to guest journeys through technology, product innovation and operational efficiencies – driving convenience, choice and consistency at scale

Link to strategy



Stakeholder engagement continued



Suppliers

How we engage

- As a key enabler of our strategy, 'powerful supplier partnerships' continues to be an important issue. During the year, the Board consider the benefits and opportunities through key partnerships, with the aim of achieving positive and fair outcomes for Marston's and our suppliers
- Our Impact Report provides more in-depth information on how our Procurement and operational teams work closely with our supply partners to deliver robust and ethical supply chain management

Outcomes

- Following a thorough review of modern slavery-related risks and an Executive Committee-level assessment of them, the Board approved an updated Modern Slavery statement, which is available on our website
- The Board reviewed and approved a number of renegotiated renewals of key contracts for food and drink during the year



Investors

How we engage

- Capital Markets Day, an in-person and webcast event, hosted in October 2024
- Investor Roadshows and meetings with our institutional investors, bondholders and banks held throughout the year to support our financial reporting calendar and future financing plans
- Direct engagement with major investors on Directors' Remuneration Policy proposals
- Regular feedback loops facilitated by, and detailed reports and analysis from, advisers and brokers on investor sentiment
- Communications with retail investors through Q&A sessions at our Annual General Meeting and through our website
- Ensuring employee share schemes are accessible to our People, many of whom are also shareholders

Outcomes

- Engagement with existing and prospective investors enables understanding of and support for our strategy and vision, and supports the Board's efforts to provide fair, balanced and understandable information
- A refresh of the corporate website to improve accessibility for retail investors and all stakeholders



Government

How we engage

- Continuous engagement with regulatory authorities, including Public Health for England and Wales, Office of Health Improvement and Disparities and the Pubs Code Adjudicator
- Working with industry bodies to lobby on business-critical issues, such as business rates reform, extended producer responsibility and National Insurance contributions
- Long-term partnership with Drinkaware

Outcomes

- Audit Committee oversight and approval of our Pubs Code Compliance report, in line with our statutory duties
- The Board is regularly updated on compliance with regulations and readiness for emerging legislation



Communities & environment

How we engage

The Board recognises the importance of, and our impact on, each of the local communities in which we operate, together with the wider environment. A key enabler of our strategy is to operate 'safely and sustainably'. We remain committed to achieving this through best in class health and safety standards, continuing efforts to support local initiatives and charities, and to operating our business and supply chain more efficiently to reduce our impact on the environment. Read more about the work that we do, progress against our core pillars and outcomes, in our Impact Report.

[SEE OUR IMPACT REPORT](#)

www.marstonpubs.co.uk/responsibility



[SEE OUR INVESTMENT CASE](#) [SEE PAGE 2](#)



Sustainability

Delivering impact through Shared Good Times

At Marston's, we believe great pubs bring people together and can be a positive force for change. This belief underpins our approach to sustainability, which is built around the four 'P's: Planet, People, Product and Policy. These pillars guide how we deliver meaningful impact across our business and in the communities we serve.

Our Impact report sets out the tangible progress we have made as a business over the past 12 months. From expanding solar energy generation across more of our pubs and growing our industry-leading rapid EV charging estate, to reducing food waste and strengthening our ED&I networks, we have focused on actions that have the greatest positive impact and reflect our purpose and that of our pub teams.

Our Impact report and the work on our four 'P's can be found on our website

www.marstonspubs.co.uk/responsibility

READ MORE ONLINE

Taskforce on Climate-related Financial Disclosures (TCFD)

We set out on the following pages our climate-related financial disclosures, which follow the guidance set out in the TCFD (June 2017) and the implementation advice (October 2021). Our reporting is aligned with the TCFD framework and structured around its four core pillars: Governance, Strategy,

Risk Management, and Metrics and targets. Our disclosures reflect our commitment to achieving Net Zero by 2040 and managing climate-related risks and opportunities across our operations and supply chain.

Compliance statement

Marston's has complied with UKLR 6.6.6(8)R by including climate-related financial disclosures consistent with the TCFD recommendations, with the exception of the following omitted disclosures:

Strategy (Disclosure b – Financial impact):

Due to limitations in reliable forward-looking data, particularly around weather projections, we have not fully quantified the financial impact of climate-related risks. We will continue to review this year-on-year and are developing enhanced modelling approaches to enable more comprehensive disclosures in future reports, when the data becomes more reliable.

Metrics and targets (Disclosure b – Scope 3 emissions):

Scope 3 emissions are reported on a prior year basis (FY2024) due to the complexity and time required to obtain and assure data across our supply chain. We are investing in improved systems and working closely with suppliers to shorten this cycle, with the goal of reporting on a current-year basis in future.

Governance

The Board has ultimate responsibility for overseeing risk management across the Company (as set out on pages 20 to 25), and that includes climate-related risks and opportunities as part of its strategic remit. Climate considerations are embedded into discussions on strategy, risk management and capital allocation. The Board receives regular updates from the Sustainability Taskforce on progress towards Net Zero, key achievements and emerging challenges. These updates enable the Board to assess the appropriateness of our targets and the adequacy of management's plans to deliver them. The Audit Committee reviews material risks, including climate-related risks, and evaluates the effectiveness of associated controls and mitigations.

Our Sustainability Taskforce, co-chaired by the General Counsel & Company Secretary, comprises senior leaders from across the business representing our four sustainability pillars, which are each supported by specialist steering groups. The Taskforce meets at least quarterly and reports to the Executive Committee and the Board, ensuring climate-related issues are integrated into operational and strategic decision-making. Further details details can be found in our Impact Report.

Planet working group

The Planet working group, chaired by our Energy Manager, brings together operational teams responsible for delivering carbon reduction initiatives. Meeting quarterly, the group monitors progress towards our Net Zero goals and reports to the Sustainability Taskforce and Executive Committee. This ensures climate-related considerations inform annual budgets, major investments, divestments and strategic programmes.

Strategy

Climate-related risks and opportunities and their impact on our operations

Our commitment to operating safely and sustainably is a key enabler of our business strategy. Our strategy incorporates the consideration of climate-related risks and opportunities and the drive to achieve Net Zero by 2040, through identifying, assessing and managing our environmental impacts. We need to reduce emissions and the impact upon nature. We have a clear, realistic pathway to Net Zero aligned with the refurbishment of our estate and our energy procurement strategy.

Moving to Net Zero is a considerable challenge. It largely relies on our suppliers moving their own operations away from a reliance on carbon fuels within a similar time frame, and configuring supplies to assist and sustain this position.

Sustainability continued

Taskforce on Climate-related Financial Disclosures (TCFD)

continued

Strategy continued

Climate-related risks and opportunities and their impact on our operations continued

We have mapped our total emissions including our supply chain, which is responsible for over 76% of our emissions. This information helps us target goods we receive that are responsible for the highest emissions. Adapting our pubs to move away from gas to electricity is entirely feasible and can largely be achieved during the normal cycle of investment and refurbishment of our estate, particularly while modernising our kitchens. Our future procurement strategy includes, when economically practical, the purchasing of electricity generated from sustainable sources such as solar, wind and water, albeit only transitioning when the commercial conditions are right.

We have committed to reducing our food waste by 50% by 2030, compared to 2019. We have already achieved a 74% reduction by reducing menu options. Food waste is weighed when it is collected by our disposal supplier and is reused to generate energy.

We consider the environmental record of all major new suppliers and for food, this includes the number of miles that it travels from 'farm to fork'. Ethical information is also collected through our food information system 'Smart Supplier'. For other suppliers we use information from SEDEX, an online platform allowing businesses to share information confidentially about their ethical

performance. Contingency plans are in place to manage supply chain disruptions should they arise from climate-related or other factors.

Our growth strategy includes reducing our reliance on fossil fuels and investing in assets that take advantage of renewable energy. This includes electrification of catering equipment and installation of lower-carbon heating systems.

OTHER INITIATIVES CAN BE FOUND IN OUR IMPACT REPORT

marstonpubs.co.uk/responsibility

Scope and assumptions

Time horizon

We consider three time horizons: 1–5 years (short-term), 5–10 years (medium term) and greater than 10 years (long term) – to be relevant for our scenario analysis. Though many of the identified risks and opportunities cannot be siloed into specific time periods, our analysis is based on the assumption that climate-related issues often manifest over the medium to long-term

- The timeframe for short term risks (1–5 years) reflects that we generally know enough about them to structure our development plans and forecast the financial impact.
- The timeframe for medium term risks (5–10 years) captures those risks that have a reasonable likelihood to impact us in the future, though it is more difficult to quantify the impact.
- The timeframe for long term risks (10+ years) captures those risks that might be contingent upon factors in the earlier time frames or where there is a greater degree of uncertainty about when they will have an impact.

Scenario analysis

We have analysed three climate scenarios based on different increases in global temperatures (1.5°C, 1.5°C–3°C, and above 3°C). For each, we have considered physical risks, transition risks, resource risks and related opportunities, reflecting the estimated impact on our business of government action intended to limit emissions, as set out on the following page.

Scenario 1: Global temperature kept to below 1.5°C:

Potentially higher transition costs in the short term (1–5 years) amid:

- tighter government restrictions
- more orderly transition.

Transitional risks within this scenario:

- compliance with government legislation adding to additional operating and reporting costs
- additional energy costs associated with carbon fuels
- additional cost of compliance and energy costs borne by suppliers increasing particularly our food and drink costs
- guest opinion divided regarding the measures taken to reduce climate change.

Scenario 2: Global temperature kept between 1.5°C and 3°C:

Potentially higher transition cost in the medium term (5–10 years) amid:

- more flood costs
- more water scarcity
- government action delayed but more aggressive in the longer term
- more technological opportunities

- global economic impacts.

Transitional risks, the same as the 1.5°C scenario, albeit delayed to within 5–10 years:

- risk that more flooding creates more repair costs and in certain locations property insurance becomes more expensive
- more extreme weather either hot, cold or wet could be difficult to predict and might impact guest behaviour in a negative way including reduced or shortened visits
- globally, production and transportation costs could increase in order to absorb transition costs as countries ramp up their response to climate change.

Scenario 3: Global temperature increases above 3°C:

Lower transition costs in the short term. Key issues include:

- government action delayed
- additional flooding
- more heatwaves
- increased cooling costs
- guest menu choices may change
- global economic impacts increased.

Transition risks, the same as the previous scenarios, albeit relatively delayed further to 10 years or beyond:

- increased risk of flooding or fire causing damage to properties
- risk that government legislation, albeit delayed, is more draconian and imposes a swifter transition that results in higher costs
- guests might be more tolerant to changes brought in by the business, accepting that urgent action is required.

Sustainability continued

Taskforce on Climate-related Financial Disclosures (TCFD)

continued

Risk management

Processes for identifying and assessing climate-related risks

We assess climate-related risks using standardised criteria to evaluate their potential impact and likelihood. The Director of Risk has responsibility to oversee the climate risk register, which is designed to identify and manage the climate risks material to Marston's and monitor the application of controls to mitigate them. We hold formal meetings to assess and re-evaluate the risks as conditions change. These assessments consider whether an identified risk could have a material financial impact on the Company.

Our Risk Committee is kept informed about the movement of our material risks to the business; this includes any regulatory update resulting from legislative issues on climate change. We track and prepare for any such legislative changes.

The Executive Committee is informed about the movement of material risks by the General Counsel & Company Secretary, who attends meetings of both Committees. This includes an evaluation of whether any climate or environmental risks are currently material to the business in terms of financial impact and regulatory compliance.

Our internal audit work focuses on gathering sufficient assurance including our sustainability reporting and supporting evidence.

We carry out annual external valuations of our property portfolio. Pubs are valued on a

rotational basis, with approximately one third inspected each year. The first external valuation on this basis was undertaken in July 2022. The assessments consider all factors that could impact valuation and cause financial impairments, impacting the income statement and balance sheet. These include risks of flooding, increased costs of compliance (e.g. EPC certificates) and any other environmental-related factors that may arise.

Identified risks and mitigation

We assess the risks below in terms of their potential to cause significant impact on our business in either the short, medium or long term. We define material climate-related risks and opportunities as those that are sufficiently important to our investors and other stakeholders to warrant public reporting. We continually reassess our evaluation of such climate-related risks and opportunities disclosed in our TCFD report as the views of our stakeholders evolve

over time. This is a qualitative assessment rather than quantitative due to the limitation of data. If necessary, we will work to completely remove those risks completely that pose a threat to achieving our strategic objectives. If avoidance is impossible, we will seek to mitigate the risk. We consider that our approach to managing these risks through our strategy to combat climate change, and the implementation of identified mitigating factors, supports our strategic resilience to climate-related risks.

Risk	Type	Description/mitigation		Severity		
				Short term (1 – 5 years)	Medium term (5 – 10 years)	Long term (10+ years)
1. Flooding	Physical	An increase in rainfall, or intensity, could impact the severity of property damage. There is no trend currently to indicate whether this risk is either increasing or decreasing for our estate. This risk is mitigated by insuring our estate to cap the cost of flooding within any particular financial year.	Minor – no increased trend of flooding. Mitigated by insuring the cost.			
2. Water scarcity	Resource	Periods of drought could lead to water scarcity impacting the geographical areas in which our pubs are situated or impacting our supply chain. Marston's sites have little or no water storage so are reliant on the mains water to operate. Owning our own water licence gives greater control over data and billing, enabling a proactive approach to managing and conserving water.	Minor – no pubs have had to pause operations because of water scarcity.			
3. Extreme and changing weather patterns	Physical/ resource	Extreme weather may cause challenges for our supply chain, particularly the supply of certain food items. Changing weather patterns may also change the habits of our guests. Contingency plans to cover a break in supply help to mitigate this risk. The geographical spread of our pubs, and the diversity of different pub formats also contribute to reducing this risk.	Minor – no food or drink supply has been significantly disrupted because of extreme weather.			
4. Legislation and policy	Transitional	Increased risk of non-compliance from accelerated, or new, legislation to support the global climate agenda. Mitigated by proactively tracking the emergence of legislation and new regulation. Our transition plan for Net Zero and targeting progress helps us to adjust and comply in a well-planned manner.	Moderate – steps taken to achieve compliance with legislation and policy, particularly the preparation for transition to Net Zero.			
5. Consumer habits	Transitional	Consumer habits could be influenced to change towards more sustainable choices. We track guest insight data to monitor consumer habits and assess opportunities to adapt to provide valuable experiences. Our development of EV chargers at our pub sites is a good example of how opportunities arise to provide what our guests value in the context of sustainability.	Minor – further opportunities could exist in the future. Currently the development of the EV chargers is a good example.			
6. Technology	Transitional	The requirement to invest in sustainable technology and production could increase the input costs of our business, particularly in connection with energy and food procurement. Adopting new technologies to support our sustainability and transition to Net Zero could come with additional costs in the short term; however, they may lead to cost savings in the longer term, as well as increasing our appeal to guests, investors and financial institutions.	Minor – impact is likely to rise in the future as more technology becomes available to support the transition to Net Zero.			

Sustainability continued

Taskforce on Climate-related Financial Disclosures (TCFD)

continued

Metrics and targets

We measure and report our greenhouse gas emissions in line with the GHG Protocol, ensuring consistency and transparency. We collect Scope 1 & 2 emissions data through ISTA, while Scope 3 emissions are supported by Zero Carbon Services.

Our climate targets reflect our commitment to long-term decarbonisation:

- Net Zero across Scopes 1, 2 and 3 by 2040, in line with the sector ambition set by the Zero Carbon Forum; and
- 50% reduction in food waste by 2030, compared to a 2019 baseline. This year over 2,672 tonnes of food waste has been saved, 74% achievement of our overall 2030 target, a further improvement to last year.

Our Net Zero strategy is designed to align with industry best practice and accelerate progress across our value chain. As we advance on this journey, we expect to adopt additional interim targets and performance indicators to track progress more effectively. These will be disclosed in future reports as they become operational.

Scope 1 & 2 GHG emissions

We have had a comprehensive strategy in operation for many years to collect data on site emissions and engineer solutions for their reduction. We conduct site surveys to identify technical and behavioural initiatives to reduce energy usage. We have targeted to achieve Net

Zero by 2040. Our Scope 1 & 2 emissions reductions are focused on solutions in collaboration with our suppliers, through electric kitchen enabling works, installing building management systems and completion of energy audits. More detail can be found in our Impact Report on our progress on achieving Net Zero.

Supply chain and Scope 3 emissions

Our Scope 3 emissions are measured across all our activities, with a particular focus on food, which represents a significant part of our footprint. We are working to understand how menu design influences these emissions and to integrate this insight into our operating plans.

Through our Food Charter, we set clear environmental expectations for all suppliers, from on-boarding and reinforced through a risk-based audit programme. Compliance includes critical commitments such as zero deforestation.

To improve transparency, we collect environmental data via our Smart Supplier system and the SEDEX platform, enabling us to calculate and track both direct and indirect emissions. This data informs our carbon footprint analysis and helps identify hotspots for action.

We also maintain our zero waste to landfill position and target reductions in food waste packaging, which is detailed further in our Impact Report. Collaboration with suppliers is key to tackling residual stock and packaging challenges, while partnerships such as Too Good To Go ensure surplus food in many of our pubs is redistributed rather than wasted. Our longer-term strategy also includes the procurement of renewable energy, with a stated commitment to source and promote energy from renewable sources over the coming years.

Climate change viability statement

The full financial impact of climate change and the transition to Net Zero cannot yet be fully quantified; however, the cost elements associated with our transition plan are becoming clearer, and we hope to provide this in the future. For instance, we are phasing the conversion of our pubs from gas and oil to electric as part of routine equipment replacement, which we expect will help to spread related transition costs over time. We continue to assess the identified potential financial implications on an ongoing basis, particularly where specific risks or opportunities increase in likelihood.

At present, we do not consider climate-related risks to be material to the viability of our direct operations in the short to medium term. While risks and opportunities exist, as outlined in this report, they are not currently significant enough to threaten business continuity. With the actions we have already taken, and those we continue to implement to advance our ESG and Net Zero agenda, we believe we are well positioned to adapt to future challenges and capture identified opportunities. We will continue to review these risks annually and update our disclosures as data and modelling capabilities improve.

Notes:

1. We report on all the measured emissions sources required under the Companies Act 2006 (Strategic Report and Directors' Reports) Regulations 2013. The emissions have been assessed in accordance with the 'GHG Protocol Corporate Accounting and Reporting Standard' and in line with Defra's 'Environmental reporting guidelines: including Streamlined Energy and Carbon Reporting Requirements'.
2. Scope 1 & 2 data and Scope 3 business mileage data have been collected in respect of the year ended 30 June 2025. A third-party energy bureau (ISTA) identifies our energy usage per site each month and calculates the total Scope 1 & 2 emissions across our estate. ISTA collects electricity and gas meter readings from our sites, working alongside our Energy Manager to estimate readings where none are available and investigate unusual recordings.
3. Scope 3 data is collected for the previous financial year FY2024. Zero Carbon Services help calculate the Scope 3 emissions associated with the services and goods our industry receives factoring in the specific detail for our own suppliers, for instance where goods are sourced globally, using sector aligned methodology.
4. Gas consumption compared to last year reduced by 9%. Electricity consumption reduced by 12%. To reduce the energy consumed we focus each year on various initiatives.
5. Initiatives followed this year to reduce energy consumption can be found in our Impact Report, and include:
 - Energy-efficient catering equipment: fryers with oil filtration, high-efficiency chafers, and hydrocarbon refrigerators.
 - Transition to electric: enabling works through capex and inspections to replace gas catering equipment over cycles.
 - Renewable energy: solar panels installed at selected sites.
 - Lighting efficiency: LED lighting throughout, with motion sensors in back-of-house areas.
 - Voltage optimisation implemented across sites.
 - Ongoing capex projects supporting sustainability initiatives.
6. The greenhouse gas emissions intensity ratio has moved by 1.21 this year reflecting a 15% reduction.
7. Emissions data is primarily meter-based with limited estimation.

Greenhouse gas emissions by source

(Scope 1 & 2 and Scope 3 relating to business mileage)
CO₂e tonnes



Of which:	2025	2024
Electricity and gas	54,136	64,999
Petrol and diesel	734	885
Refrigerants – pubs	4,930	4,872
LPG	1,697	1,786
Oil	261	207
Total	61,758	72,748

Greenhouse gas emissions intensity ratio

CO₂e tonnes per £100,000 turnover



Energy usage (MWhrs) (Scope 1 & 2 and Scope 3 relating to business mileage) (MWhrs)



Total Scope 3 emissions

(data for previous year 2024) CO₂e tonnes



Risk and risk management

How we manage risk

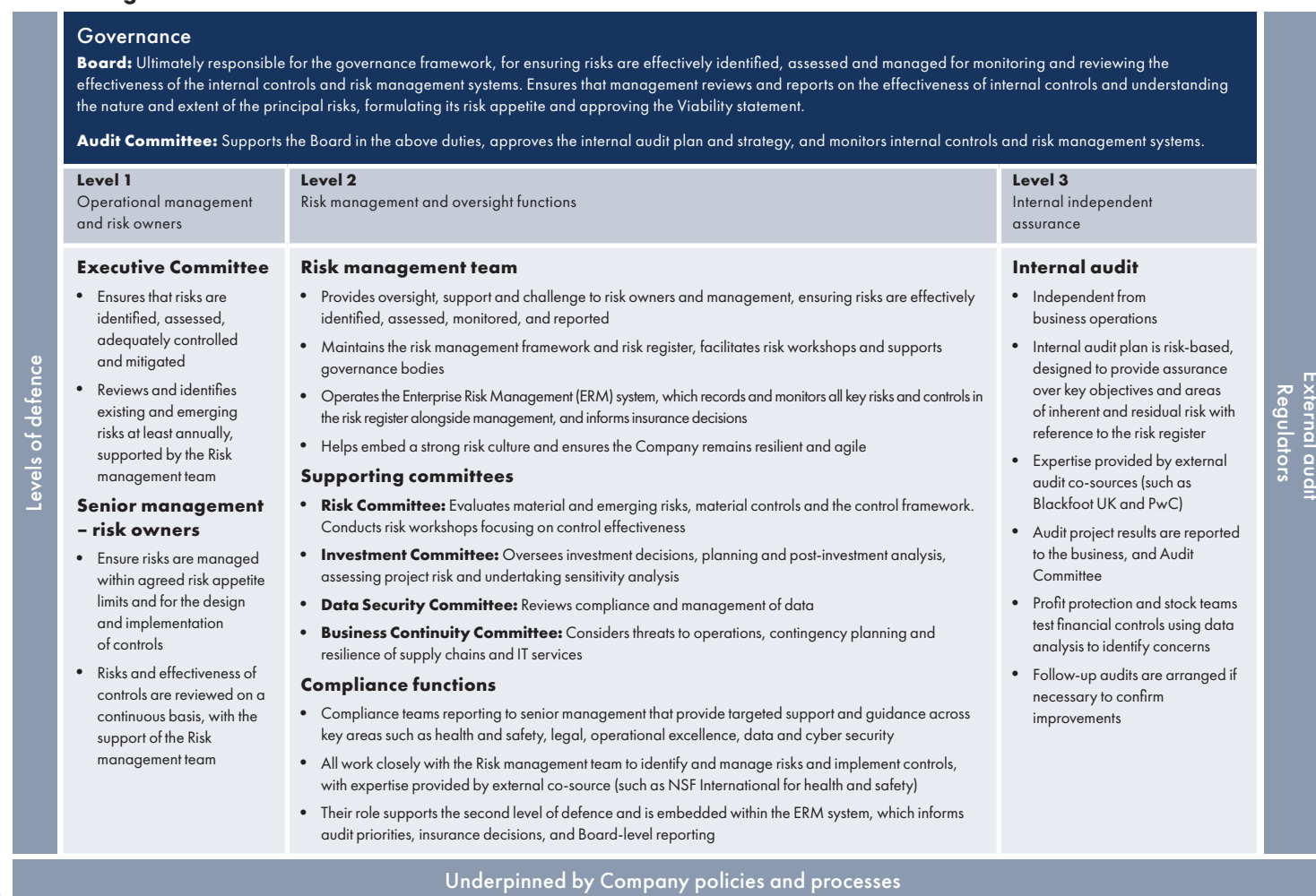
We operate in a dynamic environment in which a range of internal and external factors may affect our strategic objectives.

This year, we have maintained our focus on integrating risk considerations into our strategic decision-making, including mitigation measures after taking into account risk appetite and enhancing our risk management framework to support the delivery of our strategic priorities. Our risk management framework is evolving to enable us to identify, assess, and manage these risks effectively ensuring we remain resilient and agile, in so doing safeguarding the long-term success of the Company.

Risk management and internal audit framework

The Company's core risk management framework (shown here) provides a structure to monitor and manage risk effectively, to ensure risks are identified, monitored and controlled. Adopting the principles of Enterprise Risk Management (ERM), we take a company-wide, integrated approach to risk seeking to align our strategic objectives, operations, processes and people into a coordinated effort to identify the uncertainties the Company may face as it creates value.

Risk management framework



Risk and risk management continued

How risks are identified, monitored and controlled

Supported by the Audit Committee, the Board has overall responsibility for risk management and for reviewing its effectiveness. The Board delegates the responsibility of implementing and maintaining controls to the Executive Committee and senior management to ensure that risks are managed appropriately and at the right level. The Company's risk management and control framework includes internal and external audit procedures with our internal audit function bolstered by expert co-source in areas of high inherent and residual risk, such as cyber. Other company-wide forums include, the Investment Committee, which assesses the risk and sensitivity analysis for deployment of the Company's capital expenditure programme, and the Risk Committee, which evaluates principal and emerging risks, and our control framework. A summary of our principal risks, together with details of how these are being managed or mitigated, appears on pages 23 to 25. The Risk Committee are also leading the workstream to ensure readiness with the implementation of Provision 29 of the 2024 UK Corporate Governance Code (the 'Code') which is described in further detail below.

During the reporting year, the Board has supported the development of a Board Assurance Framework (BAF) to support risk management and to help ensure effective governance by providing continuous assurance on delivery of strategic objectives. The BAF identifies strategic and material risks which relate directly to achievement of the business strategy. As part of this process, all such risks and their associated controls were assessed in

detail by the Executive Committee and reported to the Board, thereby enhancing our ability to achieve our strategic objectives as well as effectively manage risk.

The BAF supports, and is an integral part of our risk management processes which include the collection, assessment and tracking of the material risks identified, in addition to the other key operational and financial risks and controls, all of which are assigned a risk owner. This is supported by risk management software which each owner has access to through the Company's portal. The software uses a 5x5 matrix and each risk owner has permanent access to risk register and heatmap-style reporting which assesses, in an integrated way, the net assessment of each risk after controls and the likelihood and impact of risk events. The ongoing review of our risk management processes is the responsibility of the risk management team and this year they have, as part of the Provision 29 workstream, identified a more dynamic software solution which will improve integration and real-time risk assessments on a continuous basis. It will also enhance accountability and visibility of material control effectiveness for the Board. A new taxonomy of risk is being designed to provide first line risk owners with an improved understanding of how every risk, whether operational, financial or commercial, supports the delivery of strategic objectives.

The Risk Committee supports the risk management team by providing direction to the management of risk across the business. It meets quarterly and this year its activities have included: leading the workstream to ensure readiness for Provision 29, assessing and undertaking reviews of risk workshops designed to test control effectiveness and any

gaps, critical assessment of all materials and principal risks and assisting with the assessment of emerging risks and opportunities.

Emerging risk and opportunities

The formal identification and assessment of emerging risk is embedded within our overall risk management framework and overseen by the Risk Committee; however, as we operate in a dynamic and fast-paced environment, emerging risk and potential opportunities are regularly discussed and debated by the Board and the Executive Committee in the ordinary course, particularly those arising from the continuing uncertain macroeconomic and geopolitical landscape, and the potential impact on our business and the consumer. Additionally, through the Risk Committee, all risk owners and managers are encouraged to consider emerging risks so that emerging risks and potential opportunities are considered through a number of important, but different, lenses. The Company also maintains an emerging legislation tracker which is periodically reported to the Audit Committee with oversight of implementation plans and any remedial plans to cover any gaps.

This year, through the various forums, we considered emerging risks arising from new or amended regulation likely to impact the Company and the wider hospitality sector. Through reports to the Audit Committee and presentations to the Risk Committee, we considered the Company's readiness and exposure to, the Employment Rights Bill and through discussions at the Risk Committee and the Executive Committee, we considered the potential reform in gaming and leisure machines. AI is rapidly reshaping the hospitality sector, offering significant potential to enhance operational efficiency and

experience. However, as deployment of AI may introduce emerging or enhanced risks, the governance and oversight were considered (and continue to be considered) by the Company and, supported by the Risk Committee, is committed to ensuring responsible adoption. For Marston's, AI represents a dual challenge: mitigating risks through robust controls while leveraging its transformative capabilities to drive innovation, help control costs and deliver sustainable growth.

Risk appetite

The Board sets the Company's risk appetite, defining the level and types of risk it is willing to accept in pursuit of the strategic objectives and in alignment with our values. During the reporting year, the risk appetite for our material risks was reviewed by the Board and the Executive Committee as part of the development of the BAF. The Board is committed to ensuring that the business operates within its risk appetite and takes into consideration the principal and material risks of the business when it assesses the long-term viability of the Group. While certain external risks, such as macroeconomic or regulatory changes, may require a higher level of acceptance due to their uncontrollable nature, the Company seeks to anticipate and mitigate these wherever possible.

Risk appetite guides decision-making within our organisation and ensures that risks are managed within clearly defined boundaries. In addition, one of the responsibilities of the Investment Committee is to ensure that our returns on capital employed are in line with the approved business case for capital projects and the expectations of our Board as well as being balanced with the inherent risks involved in such projects.

Risk and risk management continued

Board's assessment of risk

The Board, supported by the Executive Committee, has led the evaluation of the Company's principal and material risks during the reporting year, together with ensuring that the risk appetite statements were appropriate. Additionally, the Board, supported by the Audit Committee, has reviewed the effectiveness of the Company's risk management and internal control systems during the year. This review was informed by reports from management, internal audit, and the Director of Risk, as well as the Board and the Committee's own oversight activities. The Board is satisfied that the risk management processes in place are effective and provide reasonable assurance that the Company's principal risks are appropriately identified, assessed and managed.

A continued area of focus for the Board and Audit Committee is the implementation of Provision 29 of the Code. During the reporting year, the Audit Committee has monitored progress on enhancements to governance, reporting and control testing to align with the requirements of Provision 29. Further details are included in the Audit Committee report on page 35. The Board has received regular updates on readiness activities, including mapping of material controls and methodology for assessment of control effectiveness. These steps provide assurance that the necessary processes are in place to enable the Board to make the required declaration on the effectiveness of material controls in future reporting periods.

Our principal risks

Our principal risks represent the key categories of risk that could materially impact our strategic objectives or business model.

These are identified and assessed through a combination of top-down reviews by the Executive Committee and the Board, and bottom-up input from risk and control owners, using the various forums and processes described on pages 23 to 25, including the Risk Committee. Each principal risk is broken down into sub-risks and mapped across business functions to reflect operational realities and strategic interdependencies.

As risks evolve over time, this summary focuses on those deemed most relevant at the time of reporting, rather than all risks monitored across the business. Each principal risk comprises a set of interrelated material and sub-risks which have been identified as part of the Provision 29 workstream and planning. Each risk is categorised as strategic, operational, financial, commercial or a combination thereof and the risk type, whether business, external or financial, helps determine and align the risk appetite and the Company's adopted approach to risk management and mitigation.

Risk categories:



Strategic risk – risks that impact the strategic positioning of the business, including market attractiveness and competitive positioning.



Commercial risk – risks that relate to the commercial decisions taken by management, such as pricing strategies, that can impact key outputs, including revenue and margin growth.



Operational risk – operational risks refer to the way the Company operates on a day-to-day basis to deliver the products and services to our guests.



Financial risk – financial risks relate to funding, liquidity and interest rate management.

Risk types:



Business risk: Calculated and measured business risks taken by management, typically falling into strategic, operational, commercial and financial categories. Our risk management processes ensure these risks are managed and controlled, and risk appetite is regularly assessed and aligned to pursuit of strategic objectives.

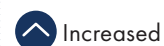


External risk: Often uncontrollable risks, but the Group has risk management and business continuity processes in place for anticipating, managing and mitigating such risks. They are sub-categorised as non-controllable external risks and controllable external risks, (such as cyber), for which we set a default risk appetite of 'minimal'.



Financial misstatement risk: This related to weaknesses or breakdowns in financial systems and controls. These risks are managed and mitigated by having rigorous internal financial controls in place that are regularly tested, updated and assured. There is no appetite for such risks.

Movement key:



Increased



No change

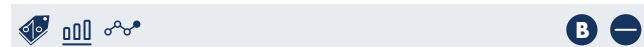


Decreased

Risk and risk management continued

Our principal risks continued

RISK KEY ON PAGE 22



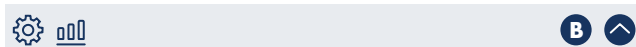
1. Strategy delivery and transformation

Risk description

A range of factors could impact the successful delivery of our strategic objectives and transformation plans. These include organisational capability and structure, pace and scale of change, competitive environment, pricing, attractiveness of offer to guests, capital deployment and reputation of the business.

How we control or mitigate the risk

- The Board and Executive Committee regularly monitor progress against delivery of strategic priorities using monthly RAG rated reporting, supported by a presentation from the CFO and CEO at each Board meeting
- The Investment Committee evaluates capital deployment and format development to ensure projects are delivered to specification, and on time and that returns meet expectations
- The BAF helps ensure effective governance by aligning risk factors to the deliverance of strategic objectives
- Detailed guest and market insights inform tactical decisions, including pricing, and ensuring offers are competitive and attractive
- Organisational values and behaviours are embedded to support cultural alignment and execution
- Disciplined approach to key financial metrics including budget, labour deployment, sales and stock control to ensure the Company operates efficiently and continues to generate strong profit and healthy cash flows



2. Information technology, cyber security and business critical systems

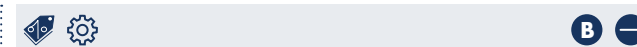
Risk description

Many of our key business operations rely on the continued resilience of our IT network and continuous enhancement and investment in our infrastructure is required to ensure effectiveness. We continue to face the threat of malicious cyber-attacks and disruptive technologies (the nature of which constantly evolves and becomes more sophisticated) data breaches, leaks of confidential information, and network or infrastructure outages. These may cause loss of revenue, regulatory action, loss of consumer trust or our competitive advantage.

Movement: The residual risk has increased due to the growing prevalence and sophistication of cyber threats globally. Cyber security risks represent a material concern for all organisations, driven by factors such as rapid technological change, increased digital dependency and evolving attack methods.

How we control or mitigate the risk

- Robust IT controls are in place to mitigate these risks, such as cyber security toolkits for prevention and alerts, penetration testing, vulnerability assessments, incident response planning and scenario testing
- Regular comprehensive audits and testing of our IT infrastructure
- Partnership/expert support from third parties (including our insurers)
- Mandatory cyber security training and robust policies which are regularly reviewed
- Evaluating our cyber security posture and readiness against established standards and guidelines, such as those outlined by the National Institute of Standards and Technology (NIST)
- Conducting risk assessments of key third-party supplier's security measures to ensure they align with the current threat landscape



3. Talent pipeline

Risk description

We are a people powered business. Risks relating to ineffective succession planning, new talent attraction, remuneration, culture and engagement could affect our ability to execute our strategy to the required standard, attract new talent as our business develops and grows, and deliver against our critical value drivers.

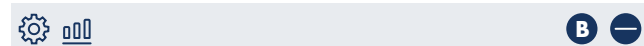
How we control or mitigate the risk

- Flexible operating models which are regularly benchmarked and reviewed
- Regular succession planning and talent reviews for our Executive Committee and Leadership Group are now overseen by the Nomination Committee
- Attraction and retention strategy and critical role audits
- Revised employer brand, values and behaviours were re-launched during the year, supporting engagement and performance-driven teams, including a new reward platform for employees and Partners
- Strengthened corporate narrative and news flow
- Workforce engagement sessions and regular feedback surveys inform our people strategy

Risk and risk management continued

Our principal risks continued

RISK KEY ON PAGE 22



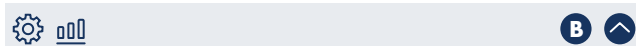
4. Health and safety (including food safety)

Risk description

The safety of our guests and people is paramount to our business. Risks such as non-compliance with EHO standards, allergen/food safety incidents and fire risk could lead to serious injury or harm, loss of trust, reputational damage or regulatory penalties.

How we control or mitigate the risk

- Independent auditors (NSF) conduct unannounced checks covering our key controls in high-risk areas, such as allergens, fire, food safety, and health and safety standards. Audit scores are reported monthly to the Executive Committee, and regularly to the Board, and are factored into operational incentives schemes
- Mandatory health and safety induction, training and refreshers, all centrally tracked
- Reporting systems for effective emergency response and trend analysis
- Use of Smart Supplier systems for ingredient and menu data accuracy, together with batch and supplier record
- Allergen compliance and awareness strategy including mandatory training
- Investment in Primary Authority partnerships in key jurisdictions
- Our Food Charter sets out food safety and sourcing requirements, including traceability, testing, audits and SEDEX registration



5. Business continuity and supply chain

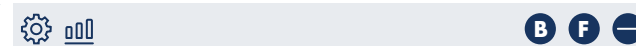
Risk description

Risks of critical supplier failure (food, drink, utilities), network/infrastructure outages, and forced closure of pubs (national or regional) could disrupt operations and impact revenue.

Movement: the residual risk has increased due to, as set out on page 23, the worldwide prevalence and sophistication of cyber threats. Due to the complexity of global supply chains, this includes exposure to operational disruptions originating from third-party vulnerabilities.

How we control or mitigate the risk

- The Business Continuity Committee oversees contingency planning, crisis response and supplier resilience
- Critical suppliers are subject to regular review and contract renewal processes
- Infrastructure and IT systems are monitored and tested to ensure operational continuity
- Experienced procurement and marketing teams
- Robust evaluation of our third-party risk management framework, including enhanced due diligence, contractual security obligations, and ongoing monitoring of critical vendors



6. Property and estate management

Risk description

Misstatement of property valuation and significant estate management or maintenance issues could affect financial reporting and operational effectiveness.

How we control or mitigate the risk

- Estate management is supported by robust maintenance and capital investment programmes
- Property valuations are independently reviewed and audited with the oversight of the Audit Committee
- Asset performance is tracked through operational KPI reporting and regular site visits
- Sustainability upgrades are integrated into refurbishment plans
- NSF audits and investment in compliance-based systems to monitor statutory safety duties, including gas safety, electrical testing, water hygiene, fire safety and asbestos management
- Authorised supplier, certification and maintenance systems in operation

Risk and risk management continued

Our principal risks continued

RISK KEY ON PAGE 22


7. Climate and environment

Risk description

Risks from extreme weather, challenges in achieving Net Zero and increased regulation or energy costs could impact trading, estate management and compliance with ESG commitments.

How we control or mitigate the risk

- Our Sustainability Taskforce and Planet Working Group help us identify key risks, opportunities and the impact of climate change on the business
- Under our sustainability strategy, we set targets and report progress towards those targets for each pillar: People, Planet, Products, and Policy. See our TCFD report on pages 16 to 19 and our Impact Report on our website

[SEE OUR IMPACT REPORT](#)
www.marstonpubs.co.uk/responsibility


8. Financial instability resulting from a major decline in trade or financial misstatement

Risk description

The Company's ability to meet its financial obligations and to support the strategic plans and operations of the business is dependent on having sufficient liquidity and cash flow. We are also reliant on the continuing availability of financing from our banks, and access to capital markets, to meet our liquidity needs, which are often seasonal in nature. The Company might suffer financial loss or loss of investor confidence in the event of financial misstatement or other unforeseen event such as a serious decline in trade or serious fraudulent activity. Economic downturns can strain liquidity, especially if pubs cannot pass cost increases to guests.

How we control or mitigate the risk

- A central treasury function which monitors covenant compliance, liquidity and other key indicators, with the oversight of the Audit Committee
- Our Finance team and audit functions conduct regular forecasting and stress testing, and headroom is regularly considered and reported
- Fraud controls are embedded in financial systems and reviewed by audit functions and profit protection teams
- Engagement with lenders and brokers ensures transparency and support
- Investment in technology to support reporting and trend analysis
- Dedicated team focused on operational excellence in key areas such as controls and oversight of stock and cash management
- Implementation plan for new and emerging legislation (ECCTA)



9. Uncertain economic and geopolitical outlook

Risk description

High inflation, slow GDP growth, and elevated interest rates reduce disposable income, which may lead to lower discretionary spending on leisure activities, leading to reduced footfall and average spend per visit. Rising input costs (energy, food, wages) and supply chain volatility can also squeeze margins. If inflation persists, financing costs and operational expenses are likely to increase, which could impact business performance.

Shifts in government policy, such as employment legislation (for example minimum wage increases), health-related regulations (alcohol consumption) or ESG mandates – can increase compliance costs and operational complexity. New taxes or duties on alcohol, energy or carbon emissions could also increase costs.

Movement: We continue to operate in an environment heavily influenced by economic volatility and geopolitical uncertainty leading to fluctuating consumer confidence impacting trading performance and long-term planning. Compared to last year, exposure to this risk has increased slightly, driven by persistent inflationary pressures, ongoing geopolitical tensions, and slower economic recovery.

How we control or mitigate the risk

- Strategic objectives seek to mitigate economic uncertainty by supporting a lean, flexible structure. Our differentiated formats and tech-enabled cost controls help broaden consumer appeal and maintain profitability
- Regular reporting of market and guest insight to the Executive Committee and Board to inform decision-making
- Experienced management team able to respond at pace to changing and challenging conditions
- Strong supplier relationships and an experienced Procurement team
- Robust monitoring and scenario planning
- Emerging legislation is identified and tracked and implementation plans are monitored

Viability statement

In accordance with provision 31 of the UK Corporate Governance Code 2018, the directors confirm that they have a reasonable expectation that the Group will continue to operate and meet its liabilities, as they fall due, for the next three years. Consistent with the previous year, three years continues to be adopted as an appropriate period of assessment. This aligns with the Group's planning horizon in a fast-moving market subject to changing consumer tastes in addition to economic and geopolitical uncertainties and is supported by forecasts as approved by the Board. It also aligns with the Group's capital investment plans and gives a greater degree of certainty over the forecasting assumptions used.

The Directors' assessment has been made with reference to the Group's current position, its financial plan and financial planning process, comprising a detailed forecast for the next financial year, together with a projection for the following two financial years. The plan also reflects the Groups principal risks and uncertainties as set out on pages 20 to 25, specifically Uncertain economic and geopolitical outlook (risk 9), Strategy delivery and transformation (risk 1), Talent pipeline (risk 3), Business continuity and supply chain (risk 5), Property and estate management (risk 6) and Financial instability resulting from a major decline in trade or financial misstatement (risk 8).

Principal risk 9 (Uncertain economic and geopolitical outlook) and risk 1 (Strategy delivery and transformation) relate to the continued uncertainty surrounding the economic and political environment including inflationary pressures, political uncertainty and

ongoing geopolitical conflicts, which could lead to increased costs and reduced consumer confidence, together with the risk of being unable to deliver major transformational projects on time, or realising the full benefit due to the volume or pace of change. Risk 3 (Talent pipeline) relates to the ability to recruit and retain skilled and experienced labour and increases to employment costs, both adding to operational cost pressures and ability to deliver strategy. Risk 5 (Business continuity and supply chain) includes risks of critical supplier failure and network or infrastructure outages, which could disrupt operations and impact revenue and Risk 6 (Property and estate management) considers significant estate management or maintenance issues, which could affect operational effectiveness.

To assess the impact of the Group's principal risks and uncertainties on its long-term viability, a downside scenario reflecting a reduction in sales together with increased costs and a severe but plausible downside scenario in the form of a reverse stress test to the base case was applied to the Group's financial forecasts in the form of reduced sales (taking into account the above risks), with variable costs moving in line with the change in sales volumes. Key considerations are the Group's liquidity and ability to meet financial covenants in the downside scenarios modelled (risk 8, Financial instability resulting from a major decline in trade or financial misstatement).

In the downside modelled, the Group continues to remain profitable with adequate liquidity, and financial covenant tests are met. The reverse stress test model demonstrated that the Group could withstand a sales decrease of

over 10% to that modelled in the base case with only discretionary employee reward costs included as mitigating actions. However, in the eventuality of any downside, the Group's financial plans would be adjusted in response to the scenario by reviewing controllable and discretionary costs alongside capital investment to implement further mitigating actions.

In the forecasted period the Group is required to refinance its bank facility by July 2027, and it has been assumed that this would be on a similar basis. Whilst there is no certainty, since it requires the agreement of its lenders, based on the successful amend and extend to the bank facilities during the period and the continued positive relationships, the Directors believe they will be able to secure any such financing required.

In terms of resilience, the forecasts considered market insight and trends based on changing consumer behaviour and therefore considered the allocation of capital to adapt to these trends.

Further, whilst the experience of inflationary pressures and economic uncertainty could be expected to lead to lasting changes in both guest behaviour and competition in the hospitality sector, in making this assessment the Group has taken the view that any adverse impact on sales, through reduced visits will be temporary in nature and should not extend to any material extent into the future. Pubs have been resilient in previous economic downturns and offer value to the consumer. The Directors have determined that, over the period of the viability assessment, there is not expected to be a significant impact resulting from climate change.

In making this statement, the Directors carried out a robust assessment of the principal risks and uncertainties facing the Group, including those that would threaten its business model, future performance, solvency, or liquidity. Principal risks and uncertainties are the result of internal risk management and control processes, with further details set out on pages 20 to 25.

Strategic report approval

The Strategic report, outlined from the inside front cover to page 26, incorporates: Our 2025 financial highlights, Investment case, Chair's statement, CEO's statement, Our business model, Our strategy, Our key performance indicators, Financial review, Stakeholder engagement, Sustainability, and Risk and risk management.

By order of the Board:

Justin Platt

Chief Executive Officer

Corporate governance report

Board leadership and Company purpose

UK Corporate Governance Code

Fully compliant with the 2018 UK Corporate Governance Code (the '2018' Code) during the year ended 27 September 2025.

This report, together with the reports from the Nomination, Audit and Remuneration Committees, provide details of how we have complied with the principles of the 2018 Code. Our Section 172(1) statement on page 5 and stakeholder engagement on pages 14 and 15 set out how the Board has fulfilled its statutory duties under the Companies Act 2006.

The 2024 UK Corporate Governance Code (the '2024 Code') will apply to the Company with effect from FY2026, with the requirements of Provision 29 taking effect a year later. Any changes that will impact the Company continue to be reviewed and discussed by the Board and the required actions have been identified to ensure that we have a clear pathway to compliance with the 2024 Code.

We have made some improvements to the investor section of our website to ensure our communication channels are clear and transparent. Further information available on our website has been signposted throughout this section.

Role of the Board

The Board provides strategic leadership and is responsible to shareholders for the long-term sustainable success of the Company. It oversees strategic execution and measures of success, and monitors internal controls, risk management and good governance.

Purpose, values and culture

The Board is responsible for ensuring a healthy Company culture. We monitor this through:

- effective stakeholder engagement as set out on pages 14 and 15
- monthly monitoring of health and safety metrics and presentations from our Director of Safety on operating a safe and sustainable business
- dedicated time at Board meetings, supported by our HR Director and our Corporate Affairs Director, to discuss culture, values and employee/workforce matters
- monitoring whistleblowing reports and compliance through the Audit Committee
- monthly monitoring of employee and partner engagement scores and turnover

Values and behaviours

This year, the Board supported management and the workforce with the co-creation of revised values and behaviours to better align with our strategic priorities (set out on IFC). The values reflect the essence of why we exist; the behaviours seek to foster a culture of business performance, accountability and connection to our vision; and together they help guide decision-making, collaboration and delivery of exceptional experiences.

Our Board strives to set the tone from the top in conducting itself in line with our values and behaviours. The Board continues to support management to ensure our values and behaviours become deeply ingrained into the culture and drive business outcomes through the monitoring activities as set out on the right.

Engaging with stakeholders

Full details of how the Board has engaged with our stakeholders can be found on pages 14 and 15. This included engaging with our major shareholders and proxy agencies about proposals for our Directors' Remuneration Policy as set out on page 40. We also invest time and resource to ensure our communication to stakeholders via public announcements and our website is clear, understandable and transparent.

Board activity during the year

Throughout FY2025, the Board remained focused on delivering long-term value for our shareholders by overseeing the execution of the strategy and value drivers, and the successful transformation of the business into a pure-play hospitality company. Core activities included:

- **Financial oversight:** Reviewed the finance and property strategy to support operational growth and financial resilience and to align with long-term objectives
- **Strategic development:** Monitored capital investment proposals and approved the format development for Two Door, Grandstand and Family formats
- **Culture and values:** Supported the launch of new organisational values and behaviours, reinforcing a performance-driven and inclusive culture
- **Stakeholder engagement:** Refined the investor relations strategy to enhance transparency, clarity, strengthen reputation and stakeholder trust
- **Operational excellence:** Supported the ongoing organisational development to ensure we have the right talent to deliver our strategic priorities in the most cost effective and efficient manner
- **Risk and governance:** Reviewed the Group's risk appetite and material risks. Endorsed updates to the governance framework to ensure that it supports the delivery of our business objectives without unnecessary complexity or bureaucracy

Corporate governance report continued

Board activity during the year continued

Outside of formal meetings, the Board also receive monthly management information packs. This provide commentary on the competitive landscape and measurement of key performance indicators (KPIs) and financial matters, such as cash flow and trading performance.

The Board attends an annual Strategy Day, which includes direct engagement with our pub teams. This year the Board visited pubs forming part of our format development programme: a Two Door pub and Grandstand pub in the Worcestershire area. The format of the day enabled the Board to engage with our workforce and see strategy execution in action, as well as meeting with the Executive Committee to discuss strategic priorities for the year ahead.

The number of Board meetings and attendance by Directors can be found on page 30. The Board also meets informally several times throughout the year to discuss matters arising. The Board calendar also includes one-to-ones between the Chair and all Non-executive Directors (NEDs), NED only meetings without the Executive Directors present and the Senior Independent Director (SID) meets with the NEDs at least once a year, in the absence of the Chair.

Governance model review

This year, the CEO and the Chair led a review of the Company's governance model and framework to ensure that it supports the delivery of our business objectives without unnecessary complexity. The Board believes good governance provides the framework for long-term value creation for all our stakeholders and that corporate governance should be applied in a way that is relevant and meaningful to our business.

Division of responsibilities

Governance framework

The Company governance framework establishes clear lines of accountability and responsibility and provides a structure of effective management and controls to measure and assess performance and risk. The Board believes the framework helps ensure we adopt corporate governance principles in a way that is relevant to our business, supports our strategy and is consistent with our values.

The Board				
Supporting Committees	Principal Committees			Management Committees
Risk Committee Business Continuity Committee Data Security Committee Treasury Committee	Audit Responsible for financial, compliance and risk-related matters	Nomination Responsible for succession planning, appointments and employee engagement	Remuneration Responsible for remuneration and incentive schemes	Executive Committee Investment Committee Disclosure Committee
	Roles and responsibilities		Matters reserved for the Board	
	Assurance, internal controls, audit, legal, regulatory and compliance	Sustainability taskforce	Implementation of strategy and monitoring performance	

Enterprise-wide risk management and internal controls

- The three principal Committees operate under their own terms of reference which are reviewed annually and recommended to the Board for consideration and approval.

Our behaviours, value and culture

- The Executive Committee, led by the CEO, oversees the day-to-day operations, meeting monthly to discuss a range of topics including performance, strategy execution, business risks, employee engagement and health and safety. The Committee also meets informally each week to discuss performance and any key issues.

- Established last year, the Investment Committee provides support for and scrutiny of capital investment decisions within delegated authority limits. Through the Chief Development Officer, the Investment Committee reports to the Executive Committee and the Board to ensure accountability and visibility.
- A Disclosure Committee is convened as needed to ensure compliance with the UK Market Abuse Regulation, the Financial Conduct Authority (FCA) Listing Rules and the Disclosure Guidance and Transparency Rules to ensure the Company meets its continuous disclosure obligations.
- The supporting Committees' primary role is to provide assurance to the Board on the operation of internal controls, auditing and compliance with legal and other regulatory obligations.

More information on our governance framework is available on our website, together with the key responsibilities of, and terms of reference for, each of our principal Committees.

Division of responsibilities

The Board comprises a mix of Executive and Non-executive Directors, bringing diverse skills, experience, and perspectives. The roles of the Chair, CEO and SID are separate and clearly defined. Details of the various roles and key responsibilities of all the Board can be found on our website.

[READ MORE ONLINE](#)

www.marstonspubs.co.uk

Board of Directors

Board Committees:

A Audit Committee **N** Nomination Committee **R** Remuneration Committee ● Committee Chair

Ken Lever

Non-executive Chair

N

Appointed

July 2024, independent on appointment

Current appointments

- Non-executive Chair at Cirata PLC
- Senior Independent Director at Rockwood Strategic plc
- Chair of the Advisory Board at Alliance Manchester Business School

Past experience

- Deputy Chair at Rainier Developments Limited
- Non-executive Chair at Biffa plc
- Non-executive Chair at RPS Group plc
- Senior Independent Director at Vertu Motors plc
- Non-executive Director at Blue Prism plc
- CFO and subsequently appointed as CEO at Xchanging plc

Meeting attendance

Board

●●●●●○

Nomination Committee

●

Justin Platt

Chief Executive Officer

Appointed

January 2024

Current appointments

- Lay board member at the University of Leeds

Past experience

- Director at Carlsberg Marston's Ltd
- Chief Strategy Officer at Merlin Entertainments
- Managing Director, Resort Theme Parks at Merlin Entertainments
- Global Marketing Director at AstraZeneca plc

Meeting attendance

Board

●●●●●●

Stephen Hopson

Chief Financial Officer

Appointed

September 2025

Past experience

- CFO at Topps Tiles plc
- Director of Central Finance at Molson Coors Beverage Company
- Finance Director at Travis Perkins plc
- Head of Investor Relations and other roles at Mitchells & Butlers plc

Meeting attendance

Board

●

Octavia Morley

Senior Independent Director

A **N** **R**

Appointed

January 2020

Current appointments

- Senior Independent Director and Remuneration Committee Chair at Crest Nicholson Holdings plc and Currys PLC
- Chair at Banner Group Limited

Past experience

- Non-executive Director at Ascensos Ltd
- Senior Independent Director at Card Factory PLC
- Executive and Non-executive Chair at Spicers-Office Team Group Ltd
- Non-executive Director at John Menzies PLC
- Chief Executive Officer, then Chair, at LighterLife UK Limited
- Managing Director at Crew Clothing Co Ltd
- Chief Executive at OKA Direct Limited

Meeting attendance

Board

●●●●●●

Audit Committee

●●●●

Nomination Committee

●

Remuneration Committee

●●●●

Rachel Osborne

Independent Non-executive Director

A **N** **R**

Appointed

January 2024

Current appointments

- Non-executive Director and Chair of the Audit Committee at Ocado Group Plc
- Non-executive Director, Chair of the Audit and Risk Committee and Customer Committee at Cash Access UK Ltd

Past experience

- Non-executive Director at Dunelm Group PLC
- Non-executive Director at Her Majesty's Court & Tribunals Service
- Chief Executive Officer and Chief Financial Officer at Ted Baker PLC
- Chief Financial Officer at Debenhams plc
- Chief Financial Officer at Domino's Pizza Group plc
- Finance Director at Vodafone PLC

Meeting attendance

Board

●●●●●●

Audit Committee

●●●●

Nomination Committee

●

Remuneration Committee

●●●●

More details on our Board of Directors can be found online

www.marstonpubs.co.uk

READ MORE ONLINE

Board of Directors continued

Board Committees:

A Audit Committee **N** Nomination Committee **R** Remuneration Committee **●** Committee Chair

Bridget Lea

Independent Non-executive Director, Designated Non-executive Director for Workforce Engagement

A N R

Appointed

January 2020

Past experience

- UK General Manager at Snap UK Inc
- Managing Director – Commercial at BT Group
- Managing Director (North) at J Sainsbury plc

Meeting attendance

Board

●●●●●○

Audit Committee

●●●○

Nomination Committee

●

Remuneration Committee

●●●○

Sir Nick Varney

Independent Non-executive Director

N R

Appointed

July 2022

Current appointments

- Non-executive Chair at the NEC Group
- Non-executive Chair at Bath Rugby
- Senior Advisor to Blackstone

Past experience

- Chief Executive Officer at Merlin Entertainments
- Managing Director at Vardon Attractions
- Main Board Director at Vardon plc
- Marketing Director at The Tussauds Group
- Chair and Board member at UK Hospitality

Meeting attendance

Board

●●●●●●

Nomination Committee

●

Remuneration Committee

●●●●

Bethan Raybould

General Counsel & Company Secretary

Appointed

February 2022

- A qualified solicitor with over 15 years' experience in both private practice and in-house roles
- Leads the Legal, Company Secretariat, Safety, Internal Audit and Corporate Affairs functions and chairs the Sustainability Taskforce
- Member of the Law Advisory Board, Wolverhampton University

Hayleigh Lupino

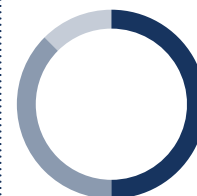
Hayleigh was appointed CFO in 2021, having previously been Director of Group Finance, and held a number of senior roles previously at Marston's. She stepped down from the Board at the end of FY2025, after 22 years of service at Marston's.

Meeting attendance:

Board ●●●●●●

Tenure

As at 27 September 2025



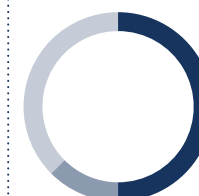
- 0–3 years
- 3–6 years
- 6+ years

Note:

Hayleigh Lupino stepped down from the Board on 27 September 2025. For the purposes of reporting, she has been included in this data.

Independence

As at 27 September 2025



- Independent
- Independent on appointment
- Executive

Current Board skills and expertise

Strategy and leadership	●●●●●●●●
Accounting and finance	●●●●
Hospitality sector	●●●●●●
Risk and governance	●●●●●●●●
Retail	●●●●
ESG and sustainability	●●●●●●
Digital and innovation	●●●●●●
People and culture	●●●●●●●●
Board experience	●●●●●●●●

Senior Board positions

As at 27 September 2025

● Male ● Female

Chair	Senior Independent Director
Chief Executive Officer	Chief Financial Officer

Nomination Committee report

Role of the Committee

The Committee's roles and responsibilities are covered in its terms of reference which are available on our website and were most recently reviewed by the Committee in May and approved by the Board in November. The effectiveness of the Committee was reviewed as part of the annual Board performance review conducted in September. The Committee is essential for ensuring that the Company has the right senior leadership in place to support good governance and its long-term success.

Summary of activities during FY2025

- Led the search, recruitment and appointment of Stephen Hopson, CFO

- As part of a wider governance review, reviewed and expanded the Committee's terms of reference to ensure it had proper oversight of key people issues including culture and talent succession
- Received reports from the HR Director on employee and Partner engagement and succession and development plans for senior leaders
- Developed a skills matrix to support Board-level succession planning and led reviews of the composition of the Board, training programmes and Board performance reviews
- Ensured good governance with annual reviews of any potential conflicts of interest and effectiveness

Board appointments and succession

The Committee is responsible for overseeing the composition of the Board and its Committees, ensuring an appropriate balance of skills, experience and knowledge. This includes oversight of annual performance reviews, reviewing Director tenure and identifying any gaps in skills, knowledge or experience. During the year, the Committee refined the skills matrix which captured the core competencies of our current Board members, and will provide a framework for succession planning and any future Board-level recruitment to help ensure the long-term success of the Company. Our current Board members each bring a diverse range of skills, knowledge and experience and their biographies and skills are shown on pages 29 and 30.

Appointment of Stephen Hopson

Appointments to the Board follow a rigorous and transparent process, supported by independent expert consultants. A candidate specification, including required skills and competencies, is agreed in advance by the Board and the Committee.

As previously mentioned in the Chair's statement on page 3, Hayleigh Lupino stepped down from the Board in September. Following a comprehensive search and selection process, the Committee was pleased to recommend the appointment of Stephen Hopson as Chief Financial Officer, effective from 8 September 2025. Supported by a third-party expert consultant, Russell Reynolds Associates, the Committee undertook a rigorous recruitment process for this key appointment, which included competency assessments and interviews with the other Directors and the HR Director. The Board was delighted to welcome Stephen, who brings a wealth of experience managing high-performing teams and

implementing rigorous financial controls. Stephen's transition has been supported by a tailored induction programme, which is described below.

Board inductions and development

Upon appointment to the Board, each new Director receives a tailored, comprehensive induction programme, co-ordinated by the General Counsel & Company Secretary and, for Executive Directors, the HR Director. Pub visits also form a key part of both induction and continuing Director development.

Stephen's induction included:

- a comprehensive handover with incumbent CFO Hayleigh Lupino
- meetings with the Board, the Executive and key members of the Leadership Group
- time in pub including visits to pubs trading under our new formats
- introductory meetings with our banking partners, brokers, external Auditor, advisers and analysts

Directors are expected to regularly update their skills and knowledge. Training needs are reviewed annually and arranged by the General Counsel & Company Secretary as required. Directors may also seek independent advice at the Company's expense and, through the General Counsel & Company Secretary, have access to advisory services, seminars and training events to stay informed on relevant developments.

Board performance review

This year the Board's performance review, which evaluated the performance of the Board, its Committees and each Director, was in the form of a series of qualitative, action-focused meetings between the Chair and each Director.

The meetings also provided a forum to retrospectively review the actions from last year's performance review process to ensure satisfaction with the actions taken in year.

Last year's performance review focused on enhancing debate around risk, particularly strategic risk and alignment to risk appetite, elevating the remit of this Committee to include greater oversight of talent management and ensuring meeting agendas and papers were outcome focused. This year, conversations continued around achieving a better understanding of the Company's approach to risk management, with other key themes being continued focus on talent with an emphasis on developing performance-driven teams and ensuring that Board papers and presentations included more context in some areas to improve the debate at Board meetings, including the competitive landscape and greater clarity over complex or technical financial information.

The review concluded that the Board has continued to operate effectively during the reporting year, offering a constructive balance of support, experience and challenge. Examples of areas where the Board and its Committees were particularly effective included supporting management with the amplification of key strategic enablers and a culture of healthy challenge and debate.

In addition, the Chair's performance was considered by the SID with input from all Board members and discussed at a meeting without the Chair being present. The discussion concluded that the Chair's performance in his first full year had been strong, his approach to Board performance reviews led to better outcomes, and he continued to demonstrate sound leadership and objective judgement. The Chair is instrumental in fostering an environment at meetings which encourages challenge and debate.

Nomination Committee report continued

Workforce engagement

This year the Committee devoted time on the agenda to ensure it had greater oversight over some key people-related matters to ensure that the Company had the right senior leadership in place to support long-term success, that those people were properly supported and that the Company's engagement and feedback forums were operating effectively as a barometer of culture and engagement. The Committee received detailed presentations from the HR Director and Director of Learning & Development on each key topic.

In addition to our well-established employee and pub partner engagement platform, this year, our people team, our SID and designated NED for Workforce Engagement jointly facilitated listening sessions with attendees from across our business. The main topics of discussion focused on quality of communications within the business, use of technology, and engaging with our strategy. The session also provided an opportunity for employees to express their views on remuneration and reward, providing the Chair of the Remuneration Committee with valuable insights that support and inform the review of the Directors' Remuneration Policy and cascade through the business. The actions arising from our engagement processes were presented back to the Committee in October.

Conflicts of interest

Prior to appointing any Non-executive Director, the Committee reviews existing appointments and commitments to ensure there are no conflicts of interest and to assess whether candidates have sufficient time to effectively discharge their duties.

Any additional external appointments taken up by Directors during the year are reviewed by the Chair of the Committee and, where appropriate, approved by the Board before acceptance. The Committee evaluates any conflicts that may arise from these external roles, and monitors both the nature of these interests and the time commitment involved to ensure Directors' effectiveness is not compromised.

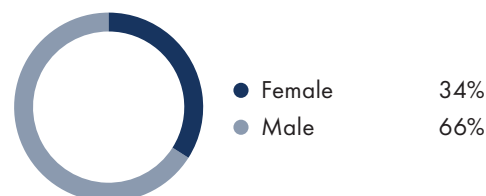
The Board remains confident that each Director has devoted adequate time to their responsibilities. No conflicts of interest were identified during the year that would affect the independence of any Director.

Board independence, election and re-election of Directors

All of our Non-executive Directors are considered by the Board as being independent, including our Non-executive Chair who was independent upon appointment.

Stephen Hopson is subject to election for the first time at the Company's AGM in January 2026 and all other Directors will offer themselves for re-election. Details of each Director are set out on pages 29 and 30, and on our website. The Board is of the opinion, as recommended by the Nomination Committee, that each Director standing for election or re-election makes an effective and valuable contribution to the Company's long-term success.

Gender balance of Senior Management (Executive Committee and Leadership Group)



Diversity and inclusion

We continue to foster an inclusive culture and recognise our responsibility to create safe environments where our teams and guests feel respected, valued and a sense of belonging. During the year, our Equity, Diversity and Inclusion (ED&I) strategy underwent a comprehensive review to ensure it supported and was aligned to our values and behaviours and the business strategy. This forms a key part of the Company's sustainability strategy and more information including in relation to our employee-led diversity networks can be found in our Impact Report.

Annual statement on Board and Executive Committee diversity targets

In accordance with Listing Rule 6.6.6R(9), our Board and Executive Committee gender and ethnicity data, as at 27 September 2025, is provided below. We currently meet or exceed the targets set out in the Listing Rules. New Directors are asked to consider participating in our 'Care to Share' campaign which seeks to better understand ethnicity data in the same way and, for the same reasons, we ask our wider workforce to share their data when they join the business.

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Committee	Percentage of Executive Committee
Men	4	50%	3	5	62%
Women	4	50%	1	3	38%
Other categories					
Not specified/prefer not to say					

	Number of Board members	Percentage of the Board	Number of senior positions on the Board (CEO, CFO, SID and Chair)	Number in Executive Committee	Percentage of Executive Committee
White British or other White (including minority-white groups)	6	75%	4	7	88%
Mixed/multiple ethnic groups	2	25%		1	12%
Asian/Asian British					
Black/African/Caribbean/Black British					
Other ethnic group, including Arab					
Not specified/prefer not to say					

- Both the CEO and CFO are members of the Executive Committee and are also included in the columns related to the Board.
- Stephen Hopson was appointed to the Board on 8 September 2025.
- Hayleigh Lupino stepped down from the Board on 27 September 2025.
- Both Stephen Hopson and Hayleigh Lupino are included in the data tables above.

Ken Lever

Chair of the Nomination Committee

More information on ED&I can be found in our 2025 Impact Report:
marstonspubs.co.uk/responsibility

[READ MORE ONLINE](#)

Audit Committee report

Role of the Committee

The Committee's roles and responsibilities are covered in its terms of reference and were most recently reviewed by the Committee in July and approved by the Board in November. The effectiveness of the Committee was reviewed as part of the annual Board performance review in September. The Committee focuses on ensuring the integrity and clarity of financial reporting, robust and independent audit processes and the maintenance of strong internal control and risk management systems.

Summary of activities during FY2025

- Monitored and reviewed the integrity of financial and narrative reporting at half year and year end
- Reviewed and recommended approval of the going concern and viability statements
- Reviewed the effectiveness of the external audit process and strategy
- Reviewed and approved the external Auditor's independence and objectivity
- Monitored the Company's systems of risk management and internal control
- Supported the Board in the review of the Company's material risks and controls and preparedness for the changes to Provision 29 of the UK Corporate Governance Code
- Approved and oversaw internal audit's programme of activities and monitoring the effectiveness of the internal audit function
- Monitored the effectiveness of, and supported improvements to, the Company's key operational controls to support operational excellence in stock management, cash management and food safety
- Reviewed key cyber risk controls and assessed the adequacy of contingency and incident response plans to safeguard critical operations
- Monitored the effectiveness of the Company's whistleblowing processes and compliance controls in key areas including corporate gifts and hospitality and Employment Rights Bill
- Approved the annual Statutory Pubs Code report
- Approved the Company's finance strategy and distributable reserves planning and Company's tax strategy

Matters in relation to the financial statements

In order to discharge its responsibility to ensure the integrity of all financial statements, the Committee carefully assess whether management has made appropriate key judgements and estimates in the preparation of the consolidated financial statements on pages 63 to 113 and whether suitable accounting policies have been adopted.

To support this assessment, and to ensure that the financial statements are fair, balanced and understandable, throughout the reporting year the Committee has received detailed reports and presentations from management explaining the basis for significant matters and judgements, together with the underlying policies. The Committee's review was supported by the external Auditor who, as set out in their report on pages 57 to 62, robustly challenge and audit such matters as part of their year-end processes.

A summary of the significant judgements made during the reporting year are set out below. The Committee is satisfied that the judgements are reasonable, and that suitable accounting policies have been adopted and disclosed in the accounts.

Key estimates and significant judgements

Area of significant judgement	Nature of the Committee's review and finding	Page in the financial statements
Non-underlying items	The Committee considered and reviewed management's determination of items to be classified as non-underlying during the reporting year and was satisfied that the classifications were appropriate. To maintain oversight, the Committee agreed a process with management to review non-underlying items on an annual basis.	Page 79
Property, plant and equipment	Property, plant and equipment is the largest asset on the Group's balance sheet and is a key area of consideration for management and the Committee. The Committee undertook a robust review of the independent valuation and management's judgements, with specific consideration given to the impact on the increase in NAV. Management provided the Committee with a detailed overview of the process and key inputs to the valuation process – in particular, the 'fair maintainable trade' (FMT) of each pub, and the multiple applied to that trade. Following review and assurance from the external Auditor, the Committee concluded that the basis of the valuation, the judgements made, and the fair value disclosed on the balance sheet are appropriate.	Page 84
Retirement benefits	The Committee received reports from management on, and noted the actuarial assumptions in respect of, the defined benefit pension plan, which included discount rates, rates of increase in pensions, inflation rates and life expectancies. The Committee reviewed the actuarial assumptions and underlying calculations and following discussion with the external Auditor regarding its view on these assumptions, was satisfied that they are reasonable.	Page 88
Financial instruments	The Committee received reports on the valuation of derivative financial instruments, in particular those noting the movements in the derivative financial instruments (interest rate swaps).	Page 93

Audit Committee report continued

Distributable reserves

During the reporting year, the Committee supported the Board in its review of the Group's financial strategy and in particular overseeing management's planning and assurance work to improve the Group's distributable reserves, through share capital reductions and intragroup dividends, thereby enabling the distribution of shareholder returns as and when appropriate. The Committee received reports from management and assurance from specialist advisers, and the external Auditor was satisfied with management's planning and corresponding actions.

Going concern and viability statement

As part of the year-end audit processes, the Committee reviewed the appropriateness of the Group's going concern and viability statement as set out on page 26. To support its assessment, the Committee examined management's financial projections, liquidity headroom, and stress-testing scenarios to ensure they were robust and aligned with current trading conditions and strategic plans. The Committee also engaged with the external Auditor to understand their procedures and conclusions regarding going concern and viability, including reviewing the Auditor's risk and prudence assessment, areas of challenge to management assumptions, and any other observations arising from their work. Following this review, the Committee was satisfied that the viability and going concern statements were appropriate and recommended their approval to the Board.

Internal audit

Marston's internal audit function is a critical part of the Group's control framework, and increasingly so as the Group's maturity of control testing develops, aligned to the changes to Provision 29 of the 2024 Code. As such, the internal audit plan is reviewed and approved by the Committee annually, ensuring that it is aligned with the Company's material risks and strategic priorities. The internal Audit team attends each Committee meeting to report on all audit activities. The audit work undertaken this year has provided the Committee with invaluable insight into the practices, processes, systems and controls of the business including key operational controls, such as stock management, petty cash management, fire and food safety, which are essential to ensure operational excellence at Marston's and delivery of the Group's strategic priorities. A management response to each internal audit, including any remedial actions, is provided by a senior member of the management team with ultimate accountability for audit actions.

As part of its oversight responsibilities, the Audit Committee assessed the effectiveness and independence of the internal audit function, including adequacy of resources. Based on this review and engagement with the Executive Directors, the Committee confirmed that the internal audit function remained effective in providing assurance over key controls and risk management processes.

External auditor

RSM UK Audit LLP (RSM) were appointed as external Auditor at the 2024 AGM, following a competitive tender in 2023 and Ian Wall was appointed as lead audit partner at the same time – see page 69 of the 2023 Annual Report and Accounts. The Committee engages regularly with RSM through attendance at every Committee meeting and each year, Ian Wall meets regularly with the Chair of the Committee. This ensures effective scrutiny of key audit areas and assessment of the auditor independence on an ongoing basis. RSM are allowed sufficient time on the agenda to discuss a range of topics with the Committee, including their proposed audit strategy, audit risks, audit processes employed and their findings. They also support the Committee with planning for emerging legislation in corporate reporting.

The Audit Committee assesses the independence of the external Auditor by considering, amongst other things, the length of tenure of the audit firm and the audit partner and the external Auditor's own assessment of its independence. The Committee is satisfied that RSM meets the required standard of independence to safeguard both the objectivity and integrity of the external audit procedures.

The Committee also reviews audit fees throughout the year to ensure they are reasonable and proportionate. The audit fees for this year can be found in Note 3 on page 78 of the Financial Statements which were in line with the budget approved by the Committee.

Non-audit services

In accordance with the FRC's Ethical Standard, external auditors must not provide non-audit services that could compromise their independence or objectivity. To safeguard this, the Group has a policy in place governing non-audit services, which is available on our website. Any non-audit services proposed are assessed individually in line with the Ethical Standard and our policy. During the reporting year, the Committee approved the provision of non-audit services in relation to audit-related assurance work and all non-audit fees incurred are disclosed in Note 3 of the Financial Statements on page 78.

Risk management and internal controls

The Board has ultimate responsibility for the Group's risk management, but the Audit Committee plays an invaluable role in reviewing the overall effectiveness of risk management which is assessed at least annually. The Committee reported to the Board on its evaluation of the effectiveness of the Group's systems of internal control and risk management, informed by reports from internal audit and the Director of Risk.

During the reporting year, the Committee supported the Board by overseeing a forensic review of strategic risk and alignment to risk appetite to support delivery of strategic priorities, operational excellence and sustainable growth. An explanation of the Company's risk management framework and approach to risk management can be found on pages 20 to 25.

Audit Committee report continued

Risk management and internal controls continued

The Committee also monitored the Company's preparatory work to support compliance with changes to Provision 29 of the 2024 Code, and a summary of the supporting work undertaken by the Committee during the year in relation to risk and controls appears below:

Provision 29 compliance

- Supported the Board in reviewing the Company's material risks and material controls, together with the framework for effectiveness reviews
- Considered the output of work undertaken by management, including its work with an external adviser, to further improve the risk management process
- Considered management's methodology for scoring inherent and residual risks, and challenged assumptions to ensure these are appropriate and robust
- Engaged with management to ensure that reporting mechanisms are in place to support future disclosures
- Approved the replacement of the risk management portal for more effective and efficient risk management processes and reporting mechanisms

Health and safety

- Management and internal audit presented to the Committee on work being done to ensure the safety of our guests and people in key areas of risk, including food safety, allergen compliance and fire risk

Cyber risk

- Received presentations from the Director of IT on material controls and assurance for data security and cyber risk, including resilience, ransomware defences, training protocols and business continuity plans
- Considered the observations made by the external Auditor's in relation to the year-end audit processes, regarding IT controls
- Reviewed the results of a cyber security tests undertaken by the Company's third party consultants and recommended improvement measures
- Considered and approved the Company's approach to cyber insurance
- Evaluated the Group's cyber security posture against established standards and guidelines, such as those outlined by the national Institute of Standards and Technology (NIST)

Other matters considered this year

Cyber risk readiness and response capability

As described on page 23, the Board recognises that cyber risk remains one of the most significant threats to business continuity and stakeholder trust. While the Committee plays a critical role in overseeing key cyber risk controls as outlined on page 23, its remit increasingly extends to ensuring the Group is prepared for evolving threats and remains resilient in the event of an incident. During the year, this included challenging management on the adequacy of preventative measures

and, with support from the internal Audit team, reviewing contingency and incident response plans to safeguard critical operations. Looking forward to the year ahead, the Committee will strengthen its oversight of the Group's response capabilities by reviewing the outputs and actions arising from scenario-based incident response testing and by overseeing enhancements to supplier cyber security controls, particularly for vendors with access to sensitive data or those supporting critical operational systems. By maintaining a proactive stance on cyber security and resilience, the Committee aims to protect the integrity of systems, minimise disruption, and uphold confidence in the organisation even under adverse circumstances.

Whistleblowing

Our whistleblowing procedures ensure that our people are able to raise concerns about possible misconduct on a confidential basis. Concerns can be raised online, via our website or QR code, through a secure and confidential portal called 'Speak Up' managed by a third party. This year the Committee received a report on improvements to the accessibility of Speak Up together with an anonymised summary of any reported issues, investigation details, resolution rates relative to KPIs and follow-up actions.

The Committee also considered the effectiveness of the whistleblowing framework, the Company's speak up culture and as part of that review, supported management to consider ways to measure culture and compliance indicators to ensure our people feel safe to speak up and believe reports lead to action. More information is available on our website.

Anti-bribery, gifts and hospitality

The Committee also received updates in relation to anti-bribery training and awareness programmes, together with a summary of the Company's policy and, for oversight, a summary of gifts or hospitality accepted or declined by management during the reporting year. More information is available on our website: www.marstonspubs.co.uk

Statutory Pubs Code

The Committee approved the annual compliance report to the Pubs Code Adjudicator (PCA) for 1 April 2024 to 31 March 2025. During this period, six valid market rent-only requests were received, one of which was referred to the PCA for arbitration. The report and supporting documents are available on our website.

Rachel Osborne

Chair of the Audit Committee

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Directors' remuneration report

Annual Statement

Dear Shareholder

I am pleased to present our report for the period ended 27 September 2025 which sets out the details of our new Directors' Remuneration Policy (the "Policy"), being put to shareholders at the 2026 AGM, Directors' remuneration in respect of FY2025 and how we intend to operate the Policy in FY2026.

Overview of performance in FY2025 and business context

FY2025 marked another year of strategic progress and delivery of strong financial results. Comprehensive commentary on the Group's operational and financial achievements is provided in the Chair and CEO statements, as well as our Financial review (on pages 3, 4 and 10).

Key performance metrics that impact remuneration outcomes performed strongly, with significant profit growth: underlying EBITDA from continuing operations increased by 6.5% to £205.1 million (2024: £192.5 million) and underlying profit before tax from continuing operations increased year-on-year by £30.0 million to £72.1 million (2024: £42.1 million), whilst revenue was stable at £897.9 million (2024: £898.6 million). Underlying operating margins of 17.8% grew by 140 basis points (2024: 16.4%) and we achieved a record Reputation score of 816 at the end of FY2025.

The Committee's decisions on remuneration outcomes and policy implementation have been made in the context of this performance, with a continued focus on fairness, alignment with shareholder interests and long-term value creation.

Performance outcomes for the year

Annual bonus FY2025

The FY2025 annual bonus was structured to drive strategy, with an 80:20 split between financial and non-financial metrics, (revenue, EBITDA, recurring FCF and Reputation score) all aligned to the key elements of our market-leading pub operating model, and stretching targets were set at the start of the year.

As summarised above, whilst revenue remained stable, EBITDA achieved above target performance with both recurring FCF and Reputation score achieving above stretch and maximum performance outturn. Despite a challenging market, we made strong progress delivering central efficiencies, procurement gains, and digital transformation. Our people are dedicated and passionate about consistently delivering great guest experiences and improving guest satisfaction.

When reviewing the formulaic outcome of the bonus against targets, the Committee considered other stakeholder outcomes:

- Wider workforce experience – bonus schemes for salaried employees are aligned, therefore all eligible employees will receive a consistent outturn of c.68% of their achievable bonus for FY2025. Our pub team members have the opportunity to earn monthly incentives, based on drinks sales, and rewards through a quarterly bonus scheme, tailored to each individual pub. Almost 80% of our pub team members, as at the end of the reporting year, had received one or more payments via these schemes.
- Investors – as noted in the Chair's statement (on page 3), closing the gap between our share price and its net tangible asset value is a key priority for the Board. We have continued to reduce net debt during the period and rebuild the investment case for Marston's.
- Wider business performance – whilst revenue remained stable, each of the other key metrics has achieved significant growth on the previous year's outturn.

Having considered the formulaic bonus outturn in the context of stakeholder outcomes during the reporting year, the Committee is comfortable that the bonus payout of 68% of maximum for the CEO is appropriate and so no discretion has been applied on the formulaic outcome. Stephen Hopson joined Marston's as CFO on 8 September 2025 and is not eligible to receive the FY2025 bonus.

A full breakdown of the measures, targets and our performance against them is set out on page 47. In line with the Policy, one-third of bonus earned (after tax) by the CEO will be deferred into shares for a period of three years.

LTIP FY2023 vesting

The three-year performance period for the LTIP award granted in December 2022 ended on 27 September 2025. Neither of the current Executive Directors were in role at the time of grant and will not benefit from this vesting. Andrew Andrea, former CEO, who stepped down from the Board in November 2023, will receive the award as a good leaver and in accordance with our approved policy. The number of vested shares will be subject to a pro-rata reduction and the two-year post-vesting holding period will continue to apply. Outturn against each of the performance metrics is set out on page 48. The Committee discussed the formulaic outturn of the award, noting in particular that the CMBC disposal proceeds were excluded from the outturn figure for the net cash flow metric, and were satisfied that the vesting outcome appropriately reflects the performance delivered over the period and aligns with the interests of shareholders.

The Committee is comfortable that actions taken on pay during the year across the Company were appropriate and balanced the interests of all stakeholders and that the Policy operated as intended.

Board changes during the year

Hayleigh Lupino stepped down as CFO and was succeeded by Stephen Hopson, who joined the business on 8 September 2025. Having completed a comprehensive handover with Stephen, Hayleigh left Marston's on 30 September 2025 and continued to receive her base salary, pension and contractual benefits until that date; no payments for loss of office were made. Hayleigh forfeited her entitlement to the FY2025 annual bonus and outstanding unvested LTIP awards lapsed on 30 September 2025.

Directors' remuneration report continued

Performance outcomes for the year continued

Board changes during the year continued

Hayleigh retains the vested FY2022 LTIP award, which is within the two-year holding period, until the normal release date (following the FY2026 results announcement), in accordance with the rules of the Marston's Long Term Incentive Plan and remains subject to the post-employment shareholding requirement until 30 September 2027.

We were delighted to announce the appointment of Stephen, following a comprehensive external process. Previously CFO of Topps Tiles plc, he brings a wealth of experience across the leisure and retail sectors. When determining his remuneration, the Committee considered a number of factors which included (i) his previous package at Topps Tiles, (ii) pay at companies of a similar size and complexity and, (iii) the package for the previous CFO. As a result, Stephen's base salary was set at £375,000 (11.1% lower than the FY2025 salary for the former CFO). For FY2026 he will also be eligible for an annual bonus of up to 100% of salary and an LTIP grant of 125% of salary, both in line with the normal policy.

Stephen has foregone his FY2025 annual bonus at his previous employer and he will also forfeit outstanding deferred bonus and LTIP awards. In line with our recruitment policy, and as part of the discussions ahead of Stephen being appointed, we agreed to replicate the FY2025 bonus foregone and deferred bonus and LTIP awards being forfeited as closely as possible, taking into account the nature of the deferred remuneration forfeited, the performance conditions, the expected value

and the time over which they would have vested or been paid.

Stephen must retain at least 50% of the shares vesting under his buyout awards as part of his shareholding requirement as CFO (200% of salary). Further details of the buyout awards to be granted are set out later in this report.

Directors' Remuneration Policy

Our current Policy was approved at our 2023 AGM and is due for renewal at our 2026 AGM. The Committee conducted a thorough review of the current Policy taking into account the Group strategy, corporate governance developments, institutional investor views and market practice. The review concluded that our Policy is working effectively and is aligned to the Group strategy, provides a good link between reward and performance, and is in line with institutional investors' best practice expectations. Alternative incentive models, such as replacing the LTIP with restricted shares, and more leveraged arrangements, were considered but there was a consensus that performance shares remained appropriate for all of the senior management population.

Therefore, the only material change to the policy is the removal of references to the 'normal' and 'exceptional' maximum limits within the LTIP (currently 150% and 200% of salary, respectively). Instead, there will be a single maximum LTIP limit of 200% of salary. This will provide the Committee with slightly more flexibility in the future to make higher LTIP grants to support our growth strategy, with appropriately stretching targets to encourage focus on delivery of exceptional performance. For FY2026, LTIP grant levels will be unchanged from those applied in FY2025.

Implementation of the Remuneration Policy in FY2026

Subject to shareholder approval at the 2026 AGM, the revised Policy will take effect from that date. The Committee has considered how the Policy should be implemented for FY2026, taking into account market practice, investor guidelines, pay across the business and the views of management. The key decisions taken for FY2026 included:

Base salary, Chair and Non-executive Director fees effective 1 October 2025

During the year, the Committee reviewed salary increases for the wider salaried workforce taking into consideration external benchmarking, the continued focus on controlling costs and the first year of performance-based increases. Following the review, individual pay rises for the wider salaried workforce ranged from 0-3%, with an average across that cohort of 2.4%. For the majority of our pub teams, their remuneration is set by statute rather than the market. Total pay awards for our pub team members averaged an increase of 6.8%. We aim to maintain a responsible and fair approach to executive pay, aligned with workforce decisions and, in the context of these increases, the Committee agreed that a 2.4% increase was appropriate for the CEO's base salary. The CFO does not qualify for an increase in FY2026 due to time in role.

Chair and Non-executive Directors' fees have also been increased by 2.4% for FY2026.

Annual bonus for FY2026

The bonus opportunity for the Executive Directors will remain unchanged for FY2026, with the CEO eligible for an annual bonus of up to 125% of salary and the CFO up to 100%

of salary. In line with the previous year, performance measures and weightings for FY2026, aligned to the key elements of our market-leading operating model, are as follows: revenue (20%), EBITDA (40%), recurring free cash flow (20%) and Reputation score (20%). These measures support our strategy and delivery against key areas of focus for the business.

The targets are stretching and incentivising with one third of any bonus paid deferred into shares for three years.

LTIP for FY2026

Both the CEO and CFO will receive an LTIP award in line with previous grant levels (150% and 125% of base salary, respectively) and in line with the current, and below the proposed revised, Policy. Performance measures and weightings have been reviewed and remain unchanged for FY2026: underlying PBT (40%), operating margin (30%) and relative total shareholder return (30%). However, acknowledging the challenge of identifying an appropriate peer group for TSR, the Committee reviewed the FTSE SmallCap index constituents and agreed to exclude the following sectors from the comparator group: Oil, Gas and Coal, Basic Resources, Banks and Financial Services in addition to Investment Trusts, to arrive at a more UK focused group. In addition, when considering the formulaic outturn of the LTIP, at the end of the three-year performance period, the Committee will undertake a 'quality of earnings' assessment for the profit measure. This will apply to future LTIP grants.

Stretching targets have been agreed and the threshold and maximum ranges are set out on page 47.

Directors' remuneration report continued

Other considerations during the year

Executive Director pay and the wider workforce

We continue to operate with fairness, integrity and transparency across the business. Salary, benefits and performance-related rewards provided to employees are taken into account when setting the policy for Executive Director remuneration, and for annual reviews, as noted above.

The Committee also retains oversight of how bonus schemes are aligned throughout the organisation, and of the performance measures, targets and outturn of each scheme. Bonus measures, and more targeted monthly and quarterly incentives for our pub team members and operational teams, are aligned to our vision and strategy for the entire workforce.

Bridget Lea, a fellow Non-executive Director and member of the Committee, conducted an employee engagement session during the year, which I also attended in my capacity as Chair of the Committee, with a specific focus on pay and reward at all levels of the organisation. Neither the Policy, nor Executive remuneration were raised as a material issue during the session. Following the discussion, no amendments were required to the proposed Policy or its implementation in FY2026 as a result of this engagement.

Shareholder engagement

During the reporting year, we engaged with our largest investors as well as Institutional Shareholder Services (ISS), Investment Association (IA) and Glass Lewis, to understand their views on our proposed new Policy and the proposed implementation in FY2026. Whilst we were pleased to receive full support for the one Policy change, views on the implementation of the Policy were taken into consideration by the Committee when finalising the operation of the Policy in FY2026. In particular we had proposed a slightly different weighting to the LTIP performance measures which, following feedback, was changed to revert to the same mix as for the FY2025 LTIP grant and we also added the quality of earnings assessment to the PBT measure.

We continue to welcome and encourage all feedback from our shareholders, as it helps to inform our thinking on remuneration matters, and hope we can rely on your continued support. If you would like to contact me directly to discuss any aspect of our Policy or this report, then please email me at investorrelations@marstons.co.uk. I will be available at our AGM (on 28 January 2026) to answer your questions. Alternatively, if you are not able to attend the AGM, please do send your questions to the email address above.

Octavia Morley

Chair of the Remuneration Committee

Summary of activities during FY2025

- Reviewed the Remuneration Policy ahead of the 2026 AGM.
- Consulted with investors on the Remuneration Policy and the proposed implementation of the Policy in FY2026.
- In relation to CFO succession, worked closely with the Nomination Committee to determine the leaving arrangements for Hayleigh Lupino and joining arrangements for Stephen Hopson.
- Engaged with the wider workforce on the alignment between Executive pay and the wider workforce.
- Consideration of pay review proposals for the Chair, senior management and the wider workforce.
- FY2025 bonus and FY2023 LTIP award outturns, as outlined above.
- Consideration of targets for Operational, Group, senior management and Executive Director bonus schemes.
- Consideration of LTIP performance metrics and grant.
- Review of Executive Directors' and senior management shareholdings in the Company, in the context of shareholding guidelines.

The Committee receives advice from a number of different sources. This helps to inform decision-making and ensures it is aware of pay and conditions in the business as a whole, and in the wider market.

The CEO attended all meetings during the year to provide advice in respect of the remuneration of senior management. The HR Director and Deputy Company Secretary also attend each meeting and provide advice to the Committee. No person is in attendance for any discussions regarding their own remuneration.

Korn Ferry continue to advise the Committee, following their appointment in 2022 and attend meetings when required. They provided advice on the implementation of the Remuneration Policy and supported management with technical matters relating to the execution of the Committee's decisions. Korn Ferry received fees amounting to £47,512 during the year for advice provided to the Committee. They are a member of the Remuneration Consultants Group and, as such, voluntarily operate under its Code of Conduct in relation to executive remuneration consulting in the UK. The Committee is satisfied that the advice received was objective and independent.

AGM voting outcomes

The following table summarises the details of votes cast for the Directors' Remuneration Policy (at the 2023 AGM) and the Directors' remuneration report at the 2025 AGM, along with the number of votes withheld.

	Votes for	%	Votes against	%	Votes total	Votes withheld
Directors' Remuneration Report 2025 AGM	75,107,160	94.70	4,205,481	5.30	79,312,641	68,142
Directors' Remuneration Policy 2023 AGM	64,571,195	93.20	4,709,941	6.80	69,281,136	86,649

Remuneration summary

Performance snapshot for FY2025

Measure	Annual bonus performance for FY2025		
	Weighting of measure	Outturn (as a % of max)	Outcome (% of total award)
Revenue	20%	0%	0%
EBITDA	40%	70%	28%
Recurring free cash flow	20%	100%	20%
Reputation score	20%	100%	20%
Bonus outturn			68%

Measure	Long-term incentive performance FY2023 award		
	Weighting of measure	Outturn (as a % of max)	Outcome (% of total award)
Underlying PBT	30%	25%	7.5%
Net cash flow (cumulative)	30%	100%	30%
Return on Capital Employed (three-year average)	20%	62.5%	12.5%
Relative TSR vs FTSE 250 (excl. investment trusts)	20%	0%	0%
LTIP outturn			50%

Applying the policy in FY2026

Base salary	<ul style="list-style-type: none"> Justin Platt – £633,000 (2.4% increase) Stephen Hopson – £375,000 (salary on appointment)
Benefits	No change
Pension	3% of salary
Bonus	<ul style="list-style-type: none"> Maximum opportunity: <ul style="list-style-type: none"> Justin Platt – 125% of salary Stephen Hopson – 100% of salary Performance measures: Revenue (20%), EBITDA (40%), recurring free cash flow (20%) and Reputation score (20%) One third of any bonus paid will be deferred into shares to be held for three years
LTIP	<ul style="list-style-type: none"> Maximum opportunity: <ul style="list-style-type: none"> Justin Platt – 150% of salary Stephen Hopson – 125% of salary Performance measures: underlying PBT (40%), operating margin (30%) and relative Total Shareholder Return (30%) Two-year post-vesting holding period applies
Shareholding guidelines	<ul style="list-style-type: none"> In employment: 200% of salary Post-employment: 200% of salary for 2 years

Incentive timelines

	Year 1	Year 2	Year 3	Year 4	Year 5
Annual bonus					
Long-term incentive plan					

Key: ■ / ■ Performance period ■ / ■ Deferral/holding period

Directors' Remuneration Policy

This report has been prepared in accordance with the provisions of the Companies Act 2006, the Large and Medium Sized Companies and Groups (Accounts and Reports) (Amendment) Regulations 2008 and the subsequent amendments, and the Financial Conduct Authority (FCA) Listing Rules. In addition, the report has been prepared on a 'comply or explain' basis with regard to the UK Corporate Governance Code 2018.

The Remuneration Policy (the "Policy") described in this section is intended to apply for three years and will be applicable from the date of approval by shareholders at the Company's 2026 AGM.

The only change to the Policy is under the long-term incentive plan (LTIP), where the 'normal' and 'exceptional' maximum limits within the LTIP (currently 150% and 200% of salary, respectively) have been removed. Instead, there will be a single maximum LTIP limit of 200% of salary.

Determining the Policy

The Committee is responsible for the development, implementation and review of the Policy. In addressing this responsibility, the Committee works with management and external advisers to develop proposals and recommendations.

The Committee considers the sources of information presented to it, takes care to understand the detail and ensures that independent judgement is exercised when making decisions.

The pay alignment across the business

The Company aims to provide a remuneration package that is market competitive, complies with any statutory requirements and is applied fairly and equitably across the wider employee population. Where remuneration is not determined by statutory regulation, the Company operates the same core principles as it does for Executive Directors, namely:

- We remunerate people in a manner that allows for stability of the business and the opportunity for sustainable long-term growth.
- We seek to remunerate fairly and consistently for each role with due regard to the marketplace, internal consistency and our ability to pay.

Our bonus schemes have evolved to ensure all our employees have the opportunity to be appropriately rewarded for the achievement of our goals. Performance measures and targets are aligned to our vision 'to be the UK's leading local pub company' and cascade as appropriate, from Executive Directors down to pub level.

Participation in the LTIP is extended to the senior management team in line with the policy for Executive Directors. Share ownership is encouraged and shareholding requirements apply to the Executive Committee and Leadership Group. We also encourage long-term employee engagement through the offer of an all-employee share plan to all employees of the Group who meet a minimum service requirement.

How employee views are taken into account

Salary, benefits and performance-related rewards provided to employees are taken into account when setting policy for Executive Directors' remuneration. We engage with our employees regularly through engagement surveys and other mechanisms.

Annually, in October, a paper is submitted to the Committee by the HR Director summarising the outcome of any annual reviews made to the wider workforce (which includes all employees except for the majority of pub-based employees who have their remuneration rate set by statute rather than the market). This paper is taken into account when setting Executive Directors' remuneration effective from the start of October for the following 12 months.

In addition, and where relevant, a similar paper is submitted in October covering the decisions taken by the Executive Committee relating to bonus payments for employees within the wider workforce. This is taken into consideration by the Committee when approving bonus awards for Executive Directors.

How shareholder views are taken into account

In considering the operation of the Policy, the Committee will take into account the published remuneration guidelines and specific views of shareholders and proxy voting agencies.

The Committee is committed to open and transparent dialogue with shareholders and welcomes feedback on Executive and Non-executive Directors' remuneration.

The Committee will consult with our larger shareholders, where considered appropriate, regarding changes to the operation of the Policy and when the Policy is being reviewed and brought to shareholders for approval. Furthermore, the Committee will consider specific remuneration concerns or matters raised at any time by shareholders.

During FY2025, we engaged with our 20 largest investors as well as Institutional Shareholder Services (ISS), Investment Association (IA) and Glass Lewis to understand their views on our proposed new Policy and the proposed implementation in FY2026. The outcome of this shareholder consultation is set out in the Chair's annual statement.

Aims

The Policy is designed to ensure that Executive Directors are provided with sufficient remuneration to motivate each individual with incentives that are aligned to strategy and encourage enhanced performance. The Committee believes that variable pay should only be earned for achievement against stretching targets. It will continue to ensure that targets provide an appropriate balance between motivating and rewarding Executive Directors to deliver stretching but sustainable performance, without encouraging excessive risk taking.

Directors' Remuneration Policy continued

Aims continued

The table below and the accompanying notes describe the Policy for Executive Directors.

Base salary	
Purpose and link to strategy	Core element of fixed remuneration, reflecting the individual's role and experience.
Operation	<p>Usually reviewed annually and fixed for 12 months commencing 1 October.</p> <p>While Executive Directors are contractually entitled to an annual review of their salaries, there is no entitlement to an increase as a result of this review.</p> <p>Salary levels are determined by the Committee taking into account a range of factors, including:</p> <ul style="list-style-type: none"> • role, experience and performance of the individual; • underlying performance of the business; • alignment with salary increases across the wider workforce; • prevailing market conditions; and • external benchmarks for similar roles at comparable companies.
Opportunity	<p>Salary increases are reviewed in the context of salary increases across the wider workforce. The Committee considers any increase which is out of line with these very carefully and such increases may be awarded where there is a reason to do so, taking into account relevant factors. These circumstances may include but are not limited to:</p> <ul style="list-style-type: none"> • increase in scope and responsibility of the role; • development and performance in the role (including that, if a newly appointed Executive Director's salary is positioned below a market rate, it may be increased to a market rate over such period as the Committee considers appropriate); or • a salary falling significantly below market positioning as determined by the Committee.
Performance metrics	Not applicable, although the individual's contribution and overall performance are considerations in determining the level of any salary increase.

Benefits	
Purpose and link to strategy	Ensures the overall package is competitive.
Operation	<p>Executive Directors receive benefits in line with market practice which currently include a car allowance, private medical insurance and life assurance.</p> <p>Other benefits may be provided based on the role and individual circumstances. These may include, for example, relocation and travel allowances.</p>
Opportunity	Set at a level which the Committee considers appropriate against the market and which provides a sufficient level of benefit based on individual circumstances.
Performance metrics	Not applicable.
Retirement benefits	
Purpose and link to strategy	Contributing to savings to deliver appropriate income in retirement.
Operation	<p>Executive Directors are eligible to participate in the defined contribution pension scheme (or such other pension plan as may be deemed appropriate).</p> <p>In appropriate circumstances, Executive Directors may receive a salary supplement instead of contributions into a pension plan.</p>
Opportunity	Pension contributions (or an equivalent cash allowance) will not exceed the pension contributions available to the majority of the workforce (which is currently 3% of salary).
Performance metrics	Not applicable.

Directors' Remuneration Policy continued

Aims continued

Annual bonus	
Purpose and link to strategy	Rewards performance against targets which support the strategic direction of the Group. Compulsory deferral into shares aligns Executive Directors with shareholder interests and provides a retention element.
Operation	<p>Performance measures and applicable targets are set annually and any payout is normally determined by the Committee after the period end, based on performance. The Committee has discretion to vary the bonus payout should any formulaic output not reflect its assessment of overall business performance or not be appropriate in the context of circumstances that were unexpected or unforeseen at the start of the bonus year.</p> <p>One third of any bonus paid (after tax) will normally be used to purchase shares which the Executive Director must normally hold for three years.</p> <p>Recovery provisions apply, as referred to below.</p>
Opportunity	The maximum annual bonus opportunity is 125% of base salary.
Performance metrics	<p>Performance measures are determined each year reflecting the business priorities that underpin Group strategy.</p> <p>At least 50% of the award will be based on financial performance measures aligned to the Group's financial key performance indicators. The balance of the bonus opportunity may be based on non-financial objectives such as the delivery of strategic/individual/ESG objectives.</p> <p>No more than 20% of each relevant portion of the annual bonus is normally payable for delivering a threshold level of performance, and no more than 50% is normally payable for delivering a target level of performance (where the nature of the performance metric allows such an approach).</p> <p>There is usually straight-line vesting between the threshold and target performance levels and between target and maximum performance levels.</p>
Long Term Incentive Plan (LTIP)	
Purpose and link to strategy	Incentivises Executive Directors to deliver against the Group's strategy over the longer term. Long-term performance targets and share-based remuneration support the creation of sustainable shareholder value.

Operation	<p>Awards of conditional shares or nil-cost options can be made with vesting dependent on the achievement of performance conditions, normally over a three-year performance period. Vested LTIP awards are normally subject to an additional holding period of two years before being released.</p> <p>The Committee may grant nil-cost options in conjunction with a tax-advantaged option granted under the tax-advantaged schedule to the LTIP (a 'Linked Nil-Cost Option'). This linking arrangement gives the participant and the Group the opportunity to benefit from the tax treatment available in respect of tax-advantaged options without increasing the pre-tax value delivered to the participant.</p> <p>The Committee has discretion to vary the formulaic vesting output applying to any LTIP award where it believes the outcome does not reflect the Committee's assessment of overall business performance or is not appropriate in the context of circumstances that were unexpected or unforeseen at the date of grant.</p> <p>LTIP awards may (where permissible) carry a right to a separate payment (in cash or shares) equal to the value of dividends that would have been received on the shares over the vesting period (and holding period if structured as a nil-cost option). The payment may assume the reinvestment of the dividends.</p> <p>Recovery provisions apply as referred to below.</p>
Opportunity	<p>The maximum award size will be 200% of base salary in respect of any financial year.</p> <p>For the reasons above, if an LTIP award is granted as a Linked Nil-Cost Option, the shares subject to the tax-advantaged option to which it is linked will not count towards this limit.</p>
Performance metrics	<p>The vesting of LTIP awards is subject to the satisfaction of performance targets set by the Committee.</p> <p>Performance measures will be determined by the Committee for each LTIP award in line with the long-term business strategy and KPIs. Threshold performance under each metric will result in no more than 25% of that portion of the award vesting. The Committee will regularly review the performance conditions and targets to ensure they are aligned to the Company's strategy and remain challenging and reflective of commercial expectations. Financial or shareholder return targets will apply to the majority of an award.</p>

All-employee share plan

Purpose and link to strategy	To provide alignment with Group employees and to promote share ownership.
Operation	The Executive Directors may participate in any all-employee share plan operated by the Company.
Opportunity	The value of shares over which awards may be granted will be in line with the relevant legislative limits.
Performance metrics	Not applicable.

Directors' Remuneration Policy continued

Aims continued

Shareholding guidelines

Purpose and link to strategy To provide alignment with shareholders' interests.

Operation During employment

Executives are required to build up and retain a shareholding equivalent to 200% of their base salary.

Until the shareholding requirement is met, Executive Directors will normally be required to retain 50% of the net of tax shares they receive under any incentive plan.

Post-employment

Any Executive Director leaving the Company will normally be expected to retain the lower of the shares held at cessation of employment and shares to the value of 200% of salary, for a period of two years. The Committee will have discretion to amend the requirement in exceptional circumstances.

Opportunity Not applicable.

Performance metrics Not applicable.

Recovery provisions (malus and clawback)

Annual bonus awards and LTIP awards are subject to recovery provisions which may be applied for up to two years following the payment in the case of the annual bonus, and for up to two years following vesting in the case of an LTIP award. These provisions may be applied in the following circumstances:

- a material misstatement of the Company's audited financial results;
- a material failure of risk management by, or corporate failure of, the Company, any member of the Company's group (the "Group") or a relevant business unit;
- the Remuneration Committee determining that the relevant Participant or former Participant has been guilty of serious misconduct;
- serious reputational damage to the Company, any Group member or a relevant business unit as a result of the Participant's misconduct or otherwise;
- an error in assessing a Performance Condition applicable to the Award; and
- in the case of recovery before vesting, other relevant circumstances at the discretion of the Committee.

Malus and clawback may be applied to any tax-advantaged option granted under the LTIP to the extent permitted by the applicable tax legislation.

Non-executive Director fees

Purpose and link to strategy Non-executive Director fees are set at a level that reflects market conditions and is sufficient to attract individuals with appropriate knowledge and experience.

Operation Fees are reviewed as required and amended to reflect market positioning and any change in responsibilities.

The Committee recommends the remuneration of the Chair to the Board. Fees paid to Non-executive Directors are determined and approved by the Board as a whole.

The Non-executive Directors do not participate in the annual bonus plan or any of the Group's share incentive plans. Non-executive Directors may be eligible to receive benefits such as the use of secretarial support, travel costs or other benefits that may be appropriate (and may be reimbursed for any tax liability thereon).

Fees may be payable in cash or shares.

Opportunity Fees are set taking into account a range of factors including the level of fees paid to Non-executive Directors serving on boards of similar-sized UK-listed companies and the time commitment and contribution expected for the role.

Non-executive Directors receive a basic fee and an additional fee for further duties (for example chairing a Committee, Senior Independent Director responsibilities or holding the position of Non-executive Director responsible for workforce engagement).

Performance metrics Not applicable.

The Committee reserves the right to make any remuneration payments and payments for loss of office notwithstanding that they are not in line with the Policy set out above, where the terms of the payment were agreed before this Policy came into effect or, at a time when the relevant individual was not a Director of the Company (or other person to whom this Policy applies) and, in the opinion of the Committee, the payment was not in consideration for the individual becoming a Director of the Company (or other such person).

For these purposes the term 'payments' includes the Committee satisfying awards of variable remuneration and, in relation to an award over shares, the terms of the payment are agreed at the time the award is granted.

Directors' Remuneration Policy continued

Explanation of performance metrics chosen

Performance measures are selected to reflect the Group's strategy. Stretching performance targets are set each year for the annual bonus and long-term incentive awards. In setting these performance targets the Committee will take into account a number of different reference points which may include the Group's business plans and strategy and the market environment.

The Committee retains the discretion to adjust or set different performance measures or targets if events occur which cause it to determine that the measures are no longer appropriate, and that amendment is required so that they achieve their original purpose. Such events may include a change in strategy, a material acquisition and/or a divestment of a Group business or a change in prevailing market conditions.

Discretion

The Committee can exercise discretion in a number of areas when operating the Company's incentive schemes, in line with the relevant rules of the schemes and, where relevant, HMRC guidance and the legislation relating to tax-advantaged schemes. These areas include (but are not limited to):

- the choice of participants;
- the size of awards in any year (subject to the limits set out in the Policy table above);
- the extent of payments or vesting in light of the achievement of the relevant performance conditions;
- determination of 'qualifying leavers' and the treatment of outstanding awards (subject to the provisions of the scheme rules and the Policy provisions); and
- the treatment of outstanding awards (other than tax-advantaged options on a change of control).

Operation of share plans

The Committee may amend the terms of awards and options under the Group's share plans in accordance with the plan rules in the event of a variation of the Company's share capital or a demerger, special dividend or other similar event or otherwise in accordance with the rules of those plans. Shares awarded granted under any such plan may be settled (in whole or in part) in cash where permitted, although the Committee would only do so where the particular circumstances made it appropriate – for example, where there is a regulatory restriction on the delivery of shares.

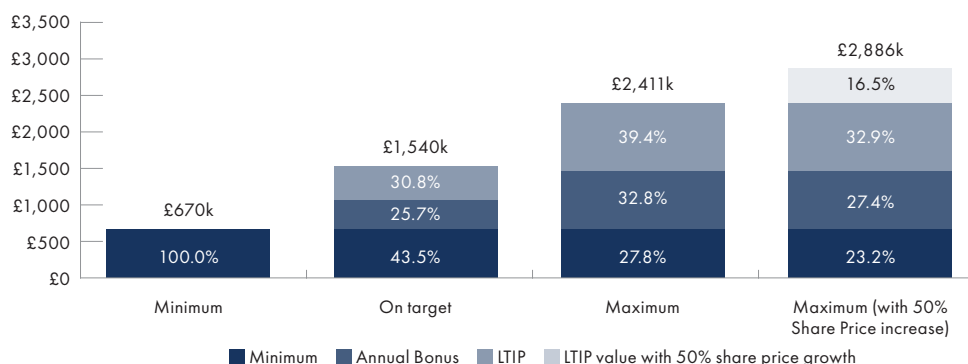
Illustration of application of the Policy

The charts on the following page show the relative split of remuneration between fixed pay (base salary, benefits and pension) and variable pay (annual bonus and LTIP) for each Executive Director on the basis of minimum remuneration, remuneration receivable for performance in line with the Company's expectations and maximum remuneration (including and excluding share price appreciation of 50% on the LTIP award).

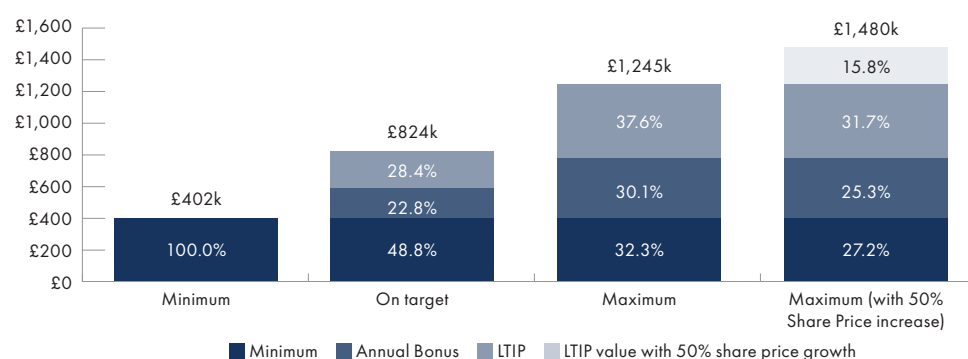
In illustrating the potential reward, the following assumptions have been made:

- Minimum: Comprises fixed pay only using the salary on 1 October 2025; the benefits value has been assumed to be equivalent to that included in the single figure calculation on page 47 and a 3% company pension contribution.
- On-target: Fixed pay plus a bonus pay-out at 50% of maximum and LTIP vesting at 50% of face value.
- Maximum: Comprises fixed pay and assumes full payout under the annual bonus and LTIP vesting at 100% of face value.
- Maximum performance with share price appreciation of 50%: the maximum scenario assumes 50% share price growth on the LTIP award from the date of grant to vesting.

Justin Platt (£'000)



Stephen Hopson (£'000)



Directors' Remuneration Policy continued

Recruitment remuneration policy

Executive Directors

When setting remuneration packages for new Executive Directors, pay will be set in line with the Policy outlined above. In determining appropriate remuneration, the Committee will take into consideration all relevant factors (including the quantum and nature of remuneration) to ensure the arrangements are in the best interests of Marston's and its shareholders.

Salary	Base salary will be set at a level appropriate to the role and experience of the Executive Director being appointed. This may include agreement on future increases up to an appropriate market rate as determined by the Committee, in line with experience and/or responsibilities and subject to good performance, where it is considered appropriate.
Pension and benefits	Pension and benefits will be provided in line with the Policy.
Relocation	Appropriate costs and support will be covered if the recruitment requires relocation of the individual.
Annual bonus	New joiners may receive a pro-rated annual bonus based on their employment as a proportion of the financial year subject to a maximum opportunity of 125% of base salary. Targets may be different to those set for other Executive Directors if the Committee deems this appropriate.
LTIP	Grants under the LTIP will be made in line with the Remuneration Policy in the year of joining, subject to the maximum award limit of 200% of base salary. For the avoidance of doubt, in the case of an internal promotion, legacy arrangements should be allowed to continue including continuation of the plan the individual is in for the year of joining if required.
Buyout awards	For external appointments, the Committee (if it is considered appropriate) may make an award to 'buy-out' incentive awards that will be forfeited on leaving a previous employer. To the extent possible buyout awards will be made on a broadly like-for-like basis. In doing so the Committee will take account of relevant factors including the vehicle (i.e. cash or equity), the performance conditions attached to vesting, the vesting schedule and the likelihood of vesting of the forfeited incentives. The Committee would seek to incorporate buyout awards in line with the Company's remuneration framework as far as is practical. However, the Committee may consider other components for structuring the buyout, including cash or share awards, restricted stock awards and share options where there is a commercial rationale for doing so.

Non-executive Directors

Fees payable to a newly appointed Chair or Non-executive Director will be in line with the fee policy in place at the time of appointment.

Service contracts and policy on payment for loss of office

The Executive Directors have service contracts requiring 12 months' notice of termination from either party as shown below.

Non-executive Directors, including the Chair, do not have service contracts and are not entitled to compensation for loss of office. Their appointments are governed by letters of appointment, typically for a three year term, and are approved by shareholders on initial election and subject to annual re-election thereafter. For administrative purposes, letters of appointment include indicative notice periods to facilitate an orderly transition.

Name	Commencement date	Unexpired term remaining as at 1 October 2025
Justin Platt	10 January 2024	Terminable on 12 months' notice
Stephen Hopson	8 September 2025	Terminable on 12 months' notice
Bridget Lea	1 September 2019	Fixed term expiring on 31 August 2026 (subject to renewal) and terminable on one month's notice
Ken Lever	8 July 2024	Fixed term expiring on 7 July 2027 (subject to renewal) and terminable on six months' notice
Octavia Morley	1 January 2020	Fixed term expiring on 31 December 2026 (subject to renewal) and terminable on one month's notice.
Rachel Osborne	23 January 2024	Fixed term expiring on 22 January 2027 (subject to renewal) and terminable on one month's notice.
Nick Varney	1 July 2022	Fixed term expiring on 30 June 2028 (subject to renewal) and terminable on one month's notice.

Directors' Remuneration Policy continued

Service contracts and policy on payment for loss of office continued

The principles on which the determination of payments of loss of office will be approached are summarised below:

Provision	Treatment upon loss of office
Payment in lieu of notice	<p>Payments to Executive Directors upon termination of their contracts will be equal to base salary plus the value of core benefits for the duration of the notional notice period.</p> <p>They will also be entitled to pension contributions for the duration of the notional notice period or the requisite cash allowance equivalent.</p> <p>The Executive Director will normally have a duty to seek alternative employment and any outstanding payments will be subject to offset against earnings from any new role.</p> <p>A de minimis value of £1,000 will apply for reporting purposes.</p>
Annual bonus	<p>'Qualifying leavers' will normally be eligible to receive an annual bonus at the usual time with performance measured at the usual time. The annual bonus will normally be pro-rated for service during the financial year. Any bonus earned will normally be paid in cash and shares in line with the current Policy.</p> <p>'Non-qualifying' leavers will not normally be eligible to receive an annual bonus.</p> <p>Shares subject to a holding period will normally be released at the normal time.</p>
LTIP	<p>The treatment of any award under the LTIP would be determined based on the leaver provisions contained within the LTIP rules.</p> <p>Awards are forfeited on cessation of employment except for 'qualifying leavers' (where awards vest subject to performance conditions and are normally scaled back pro rata to the proportion of the performance or vesting period served).</p> <p>Shares subject to a holding period will normally be released at the normal time.</p>
Change of control	<p>There are no enhanced contractual provisions on a change of control.</p> <p>Upon a change of control incentive awards will usually vest subject to performance conditions. Pro-rating for time, to reflect the proportion of the performance period that has elapsed, will ordinarily apply to LTIP awards. The Committee retains the discretion to waive pro-rating for time. Awards may vest on a similar basis on the occurrence of any other relevant event.</p>
Other payments	<p>Payments may be made in the event of loss of office under the all-employee scheme (which is governed by its respective rules and the applicable tax legislation and does not provide for discretionary treatment). The Committee reserves the right to make any other payments in connection with a Director's cessation of office or employment where the payments are made in good faith in discharge of an existing legal obligation (or by way of damages for breach of such an obligation) or by way of settlement of any claim arising in connection with the cessation of a Director's office or employment. Any such payments may include but are not limited to payments in respect of accrued holiday pay, outplacement and legal fees and other relevant benefits.</p>

Annual report on remuneration

This part of the Directors' remuneration report sets out how we have implemented our current Remuneration Policy (the "Policy") during the period ended 27 September 2025. Sections in the report not specifically stated as audited are not subject to audit.

Executive Directors

Total remuneration payable (audited)

Period ended 27 September 2025	Salary £	Benefits ¹ £	Pensions ² £	Other £	Total fixed £	Bonus £	Long-term incentives £	Total variable £	Total £
Stephen Hopson	24,148	982	724	–	25,853	–	–	0	25,853
Hayleigh Lupino	422,066	13,500	12,662	–	448,228	–	–	0	448,228
Justin Platt	618,000	18,093	18,540	–	654,633	525,300	–	525,300	1,179,933

Period ended 28 September 2024	Salary £	Benefits ¹ £	Pensions ² £	Other £	Total fixed £	Bonus £	Long-term incentives ³ £	Total variable £	Total £
Hayleigh Lupino	409,773	13,500	12,293	–	435,566	287,619	90,362	377,981	813,547
Justin Platt	434,783	13,054	5,797	–	453,634	380,342	–	380,342	833,976
Andrew Andrea	83,457	2,344	2,504	–	88,305	58,578	113,599	172,177	260,482

1. Private medical insurance benefits are unchanged, but premiums may vary from year to year. Benefits include a car allowance, private medical insurance and life assurance.
2. Executive Directors receive a pension contribution of 3% of salary, in line with the wider workforce.
3. LTIP values included in the Total remuneration payable for the period ended 28 September 2024 comparative figures have been updated to reflect the actual market value of the LTIP awards that vested on 6 December 2024, of £0.428. The share price was £0.6705 at the time of grant of the award. Therefore, none of the value of the award is due to share price appreciation.

Annual bonus FY2025

Performance against the measures to 27 September 2025 is set out below.

Performance metric	Weighting	Threshold (20% of maximum)	Target (50% of maximum)	Maximum (100% of maximum)	Actual	% of maximum opportunity
Revenue	20%	£906m	£919m	£932m	£897.9m	0%
Group EBITDA	40%	£198m	£203m	£208m	£205.1m	28%
Group recurring free cash flow	20%	£44m	£48m	£52m	£53.2m	20%
Reputation score	20%	801	805	810	816	20%
Bonus outturn						68%
Bonus awarded						68%

Executive Director	Annual bonus outcome		Deferral into shares ¹
	% salary	Value £	
Hayleigh Lupino ²	0	0	N/A
Justin Platt ³	85%	525,300	One third
Stephen Hopson ⁴	–	–	–

1. One third of any bonus paid (after tax) will be deferred into shares, which the Director must normally hold for a period of three years.
2. Hayleigh Lupino forfeited any entitlement to an annual bonus in respect of FY2025.
3. Justin Platt was eligible for a maximum bonus opportunity of 125% of salary.
4. Stephen Hopson was appointed with effect from 8 September 2025 and was not eligible for an annual bonus in respect of FY2025.

LTIP awards vesting in respect of performance during FY2025 (audited)

The FY2023 LTIP award was granted in December 2022 and the three-year performance period ended on 27 September 2025.

Performance metric	Weighting	Threshold at 25%	Maximum 100% vesting	Actual	LTIP vesting
Underlying PBT in FY2025	30%	£72.0m	£87.0m	£72.1m	7.5% out of 30%
Net cash flow (three-year aggregate)	30%	£130.0m	£164.0m	£195.5m	30% out of 30%
Return on Capital Employed ¹ (three-year average)	20%	6.5%	7.3%	6.9%	12.5% out of 20%
TSR vs FTSE 250 (excluding Investment Trusts)	20%	Median	Upper quartile	Below median	0% out of 20%
Total outcome					50% out of 100% maximum

1. ROCE: calculation average capital employed over 5 years. ROCE is underlying EBIT exclusive of income from associates expressed as a percentage of capital employed.

The December 2022 awards will vest in December 2025, with the shares subject to a two-year holding period.

Former Executive Directors	Number of shares granted	Number of shares due to vest	Total £²
Andrew Andrea ³	2,036,176	481,074	192,430
Hayleigh Lupino ⁴	1,085,960	0	0

1. The share price was £0.381 at the time of the award, compared to the three-month average share price of £0.40 to 27 September 2025. Therefore, 4.99% of the value of the award is due to share price appreciation.
2. Value of shares based on a three-month average share price of £0.40 to 27 September 2025.
3. The number of shares due to vest has been pro-rated to reflect the period of service during the performance period for the award.
4. Hayleigh Lupino's December 2022 LTIP award lapsed in full on 30 September 2025 when her employment with the Company ended.

Annual report on remuneration continued

Executive Directors continued

LTIP awards granted during FY2025 (audited)

The following LTIP awards were granted on 5 December 2024 as nil-cost options.

	Percentage of salary	Number of nil-cost options granted ¹	Face value at grant	% of award vesting at threshold
Hayleigh Lupino ²	125%	1,225,511	£527,582	25%
Justin Platt	150%	2,153,310	£927,000	25%

1. Calculated using the mid-market share price at date of grant of £0.4305.
2. Hayleigh Lupino's award lapsed on 30 September 2025, when her employment with the Group ended.
3. The performance period for this award comprises the FY2025-FY2027 financial periods. The holding period for this award comprises the FY2028 and FY2029 financial periods.

The awards will vest subject to the satisfaction of performance metrics set out below:

Measure	Weighting	Threshold (25% vest)	Maximum (100% vest)
Underlying PBT in FY2027	40%	£80m	£100m
Operating margin	30%	17.2%	19%
Relative TSR vs FTSE SmallCap (excluding Investment Trusts)	30%	Median	Upper quartile

1. Straight-line vesting applies between threshold and maximum.

Non-executive Directors

Total remuneration (Chair and Non-executive Directors) (audited)

	Base fee £	Committee Chair £	SID £	FY2025 Total £	FY2024 Total £
Bridget Lea	60,646	–	–	60,646	58,880
Ken Lever	220,000	–	–	220,000	51,014
Octavia Morley	60,646	10,927	10,927	82,500	80,098
Rachel Osborne	60,646	10,927	–	71,573	48,088
Nick Varney	60,646	–	–	60,646	58,880

1. The maximum authority for Non-executive Directors' fees (in aggregate), as outlined in our Articles of Association, is £750,000 a year, as approved by shareholders at our 2017 AGM.

Interests in ordinary shares (audited)

The beneficial interests of the Non-executive Directors and their connected persons in the share capital of the Company are shown below:

	As at 27 September 2025	As at 28 September 2024
Bridget Lea	86,703	86,703
Octavia Morley	25,000	25,000
Ken Lever	280,000	280,000
Rachel Osborne	141,067	141,067
Nick Varney	317,882	317,882

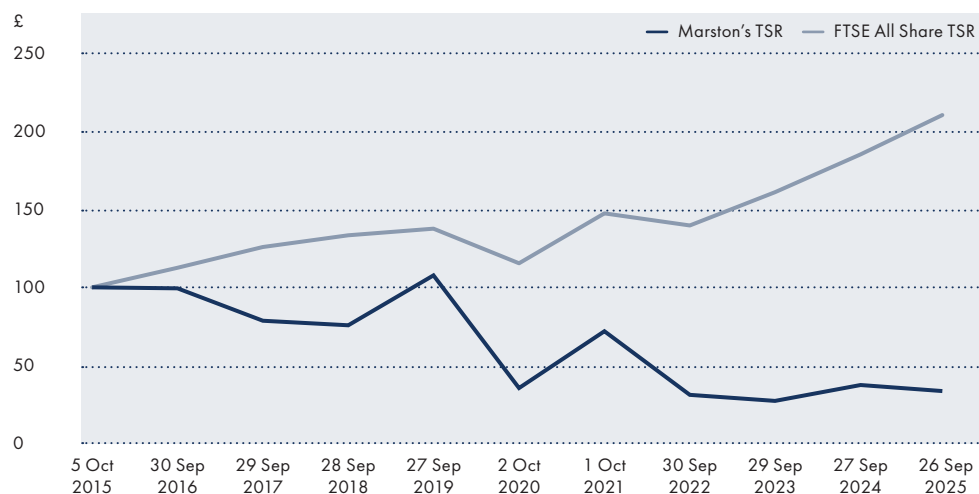
Payments for loss of office and to past Directors (audited)

No payments were made for loss of office or to past Directors during the reporting year.

Annual report on remuneration continued

Total shareholder return chart and CEO remuneration history

The graph below shows the value, at 27 September 2025, of £100 invested in the Company on 5 October 2015 compared to the value of £100 invested in the FTSE All Share Index. The FTSE All Share Index has been selected as a comparator because the Company is a member of that index.



Total remuneration of the CEO over the past 10 financial periods is shown below. The annual bonus payout and LTIP vesting level as a percentage of the maximum opportunity are also shown.

Year	Name ¹	Total remuneration £	Annual bonus (% maximum)	LTIP vesting (% of maximum)
FY2025	Justin Platt	1,179,933	68%	N/A
FY2024	Justin Platt	833,976	70.19%	N/A
FY2023	Andrew Andrea	656,725	0%	0%
FY2022	Andrew Andrea	783,654	14%	40%
FY2021	Ralph Findlay	711,612	0%	0%
FY2020	Ralph Findlay	592,423	0%	0%
FY2019	Ralph Findlay	722,432	0%	0% ²
FY2018	Ralph Findlay	807,665	17.7%	0%
FY2017	Ralph Findlay	803,303	20%	0%
FY2016	Ralph Findlay	1,008,320	40%	21%

- Justin Platt was appointed as CEO and a Director with effect from 10 January 2024. Andrew Andrea stepped down as CEO and as a Director with effect from 17 November 2023, having been appointed as CEO from 3 October 2021. Ralph Findlay stepped down from the Board and retired from the Group as CEO on 2 October 2021.
- The performance conditions were achieved at a level such that 11.2% of the 2016/17 LTIP would have vested. However, the Executive Directors waived their rights to this award.

Annual report on remuneration continued

Change in remuneration of Directors' and employee pay

The table below shows the percentage change in the Directors' salary, benefits and annual bonus over the last five financial years. This is then compared to the wider workforce. It was agreed that all employees of the Group should be included in the comparison. Marston's PLC does not have any direct employees, as all employees within the Group are employed by a wholly owned subsidiary company, Marston's Trading Limited.

		Wider workforce	Current Directors						Former Director	
			Justin Platt	Stephen Hopson ²	Ken Lever	Bridget Lea	Octavia Morley	Rachel Osborne	Nick Varney	Hayleigh Lupino
Salary/fees ¹	FY2025 and FY2024	6.8%	3%	N/A	0%	3%	3%	3%	3%	3%
	FY2024 and FY2023	8.1%	N/A	N/A	N/A	3%	3%	N/A	3%	3%
	FY2023 and FY2022	4.7%	N/A	N/A	N/A	3%	3%	N/A	3%	3%
	FY2022 and FY2021	11.1%	N/A	N/A	N/A	2.7%	8.7%	N/A	N/A	N/A
	FY2021 and FY2020	2.9%	N/A	N/A	N/A	0%	0%	N/A	N/A	N/A
Taxable benefits ³	FY2025 and FY2024	See note 3	0%	N/A	–	–	–	–	–	0%
	FY2024 and FY2023	See note 3	N/A	N/A	–	–	–	–	–	0%
	FY2023 and FY2022	See note 3	N/A	N/A	–	–	–	–	–	0%
	FY2022 and FY2021	See note 3	N/A	N/A	–	–	–	–	–	N/A
	FY2021 and FY2020	See note 3	N/A	N/A	–	–	–	–	–	N/A
Annual bonus	FY2025 and FY2024	(3.8%)	38.1% ⁴	N/A	–	–	–	–	–	N/A
	FY2024 and FY2023	See note 5	N/A	N/A	–	–	–	–	–	100%
	FY2023 and FY2022	See note 5	N/A	N/A	–	–	–	–	–	N/A
	FY2022 and FY2021	See note 5	N/A	N/A	–	–	–	–	–	N/A
	FY2021 and FY2020	See note 5	N/A	N/A	–	–	–	–	–	N/A

1. Salary/fee reviews for the Executive Directors, Non-executive Directors and salaried workforce are effective 1 October. However, whilst Marston's accounting reference date is 30 September, the Group reports on a 52-week basis and, therefore, the period end date changes from year to year. The year-on-year comparisons in the table above are based on the salaries/fees applying with effect from 1 October. Average employee change to salary is calculated by reference to the mean of employee pay. The majority of pub-based employees have their remuneration set by statute rather than the market.

2. Where the incumbent did not serve for the full year, the calculation has not been made as it is unrepresentative. Stephen Hopson was appointed CFO effective 8 September 2025.

3. No changes to benefits policy. Premiums for private medical insurance may vary from year to year. Eligibility to receive the individual benefits under the policy may be determined by an employee's role or length of service, where applicable.

4. The bonus earned by Justin Platt, in respect of FY2024, was on a pro-rata basis due to joining part way through the year. The bonuses earned for FY2024 and FY2025 were calculated with reference to the base salary for the relevant FY. Whilst there has been an increase in the cash bonus amount, the percentage outturn for FY2025 of 68% was (3.1%) lower than 70.19% in respect of FY2024.

5. No bonuses were payable in respect of FY2023, based on Group performance, (with the exception of operational bonuses and discretionary payments earned by a small number of employees), therefore a comparison with bonuses earned in respect of FY2024 is not meaningful. This also applies to comparisons between FY2023, FY2022, FY2021 and FY2020.

Annual report on remuneration continued

CEO pay ratio

The tables below show how the CEO's single total figure of remuneration compares with the equivalent figures for UK employees whose remuneration was ranked at the 25th percentile, 50th percentile and 75th percentile.

Year	Method	25th percentile pay ratio	50th percentile pay ratio	75th percentile pay ratio
FY2025	Option B	54:1	50:1	47:1
FY2024 ¹	Option B	56:1	52:1	49:1
FY2023	Option B	36:1	34:1	31:1
FY2022	Option B	46:1	45:1	40:1
FY2021	Option B	47:1	44:1	43:1

1. The CEO pay ratio for FY2024 was calculated based on the aggregate pay of Justin Platt and Andrew Andrea.

Component	CEO £	25th percentile £	50th percentile £	75th percentile £
Base salary	618,000	21,944	23,795	25,293
Total remuneration	1,179,933	21,944	23,795	25,293

We have chosen Option B which uses the hourly rate data from the most recent Gender Pay Gap reporting. This represents the most efficient and robust method to determine the respective pay ratios. The 2025 gender pay gap data is used to identify the employees falling at the relevant percentile. Total remuneration is then calculated for FY2025. To ensure year-on-year methodology and reporting is consistent, we have removed any variances in the total remuneration package for employees sitting at each of the percentiles as, for example, not all employees contribute to a pension scheme or receive a bonus. Necessary adjustments are then made to ensure that the 25th, median and 75th percentile employees are reasonably representative for FY2025. The employee percentiles were determined by reference to 5 April 2025.

A substantial proportion of the CEO's total remuneration is performance-related and delivered in shares. The ratios will depend significantly on the CEO's annual bonus and long-term incentive outcomes and may fluctuate year-on-year. The Company considers the median pay ratio is consistent with the Group's wider policies on employee pay, reward and progression.

Relative importance of spend on pay

The table below demonstrates the relative importance of the Group's expenditure on total employee pay compared to dividend payments to shareholders.

	FY2025	FY2024	% change
Dividend payments ¹	£0m	£0m	–
Total employee pay ²	£199.5m	£208.8m	(4.45%)

1. No distributions by way of share buybacks were made to shareholders during the FY2025 or FY2024 financial years.

2. Excluding non-underlying items.

External appointments for Executive Directors

Executive Directors are permitted to take up external appointments, subject to approval by the Board, and are allowed to retain any fees received.

Executive Directors' share interests (audited)

Each Executive Director is required to build and retain a shareholding with a value equal to two times salary. To achieve these holdings under the current Policy, Directors are required to retain 50% of the net of tax shares they receive under the annual bonus and LTIP, until the guidelines are satisfied. Shares subject to vested LTIP awards which are in a holding period count towards this guideline (on a net of assumed tax basis) and deferred bonus shares also count towards the shareholding guideline.

As at 27 September 2025, Justin Platt held shares worth 31% of base salary, Stephen Hopson held 0% of base salary and Hayleigh Lupino held 35% of base salary in shares.

In assessing the extent to which the guidelines are satisfied, shares are valued at the end of the relevant financial period. Once the required holding has been achieved, any change in the share price is disregarded when assessing the value attributed to shares already held.

Executive Directors' share interests as at 27 September 2025

Executive Director	Shares owned outright ¹		Share options ²						Shareholding requirement (% of salary)	Actual % of salary holding
			Not subject to performance		Subject to performance					
	At 27 September 2025	At 28 September 2024	Unvested	Vested but unexercised	Unvested	Vested but unexercised	Unvested	Vested but unexercised		
Hayleigh Lupino	373,800	198,517	–	40,909 ³	4,068,768	211,126	200%	35%		
Justin Platt	495,786	347,886	–	–	5,435,361	–	200%	31%		
Stephen Hopson	–	–	–	–	–	–	200%	0%		

1. The table above includes the holdings of persons connected with each of the Directors.

2. All scheme interests are structured as nil-cost or tax-advantaged options.

3. The 40,909 vested share options are Sharesave options.

Annual report on remuneration continued

Executive Directors' share interests (audited) continued

Executive Directors interests in share options as at 27 September 2025

		Grant date ¹	Brought forward 28 September 2024	Granted	Exercised /vested	Cancelled /lapsed	Carried forward 27 September 2025	Exercise price £	Vesting date	Release date ⁷
Hayleigh Lupino	LTIP	2019 ²	17,550	–	17,550	–	–	Nil	2022	2024
		Dec 2021 ³	720,078	–	211,126	508,952	211,126	Nil	2024	2026
		2022 ⁴	1,085,960	–	–	–	1,085,960	Nil	N/A	N/A
		Mar 2024 ⁵	1,552,169	–	–	–	1,552,169	Nil	N/A	N/A
			205,128	–	–	–	205,128	0.2925	N/A	N/A
		Dec 2024 ⁶	–	1,225,511	–	–	1,225,511	Nil	N/A	N/A
	Sharesave	June 2022	40,909	–	–	–	40,909	0.44	2025	N/A
Justin Platt	LTIP	Mar 2024 ⁵	3,076,923	–	–	–	3,076,923	Nil	2026	2028
			205,128	–	–	–	205,128	0.2925	2026	2028
		Dec 2024 ⁶	–	2,153,310	–	–	2,153,310	Nil	2027	2029

1. Awards granted annually in December, unless otherwise stated.

2. The performance conditions applying to the FY2020 LTIP are set out on page 67 of the 2020 Directors' Remuneration Report.

3. The performance conditions applying to the FY2022 LTIP are set out on page 67 of the 2021 Directors' Remuneration Report.

4. The performance conditions applying to the FY2023 LTIP are set out on page 94 of the 2022 Directors' Remuneration Report.

5. The performance conditions applying to the FY2024 LTIP are set out on page 70 of the 2023 Directors' Remuneration Report.

6. The performance conditions applying to the FY2025 LTIP are set out on page 47 in this report.

7. The exact release date will be confirmed when the date of the relevant preliminary results announcement is known and the associated closed period ends.

8. The aggregate gain for Hayleigh Lupino in the year from the exercise of awards granted under the Long Term Incentive Plan in December 2019 was £7,608 based on the share price on the date of exercise of £0.4335. Hayleigh retained all of the resulting shares. Hayleigh will retain the vested December 2021 LTIP award, in accordance with the rules of the scheme, until the normal release date. The post-employment shareholding requirement will apply to any shares acquired on the exercise of this award. Outstanding unvested awards under the Long Term Incentive Plan lapsed on 30 September 2025.

9. Stephen Hopson was appointed to the Board on 8 September 2025. As at the date of this report, no share options have been granted to Stephen.

There have been no further changes to the Directors' share interests and interests in share options between 27 September 2025 and 21 November 2025 (being the latest practical date prior to the date of this report).

Implementation of the Policy in FY2026

The section below sets out the implementation of the Policy in FY2026 which has been set in line with the Policy to be put to shareholders at the 2026 AGM.

Base salary

As set out in the Chair's annual statement on page 37, a 2.4% increase has been applied to the CEO's base salary. No increase has been applied to the CFO's base salary due to time in role.

	Base salary FY2025 £	Base salary FY2026 £
Stephen Hopson	375,000	375,000
Justin Platt	618,000	633,000

Annual bonus

Bonus opportunities for the CEO (up to 125% of salary) and CFO (up to 100% of salary) are unchanged from the previous year.

As set out in the Chair's annual statement, the bonus structure remains unchanged with an 80:20 split between financial and non-financial metrics, all aligned to the key elements of our pub operating model.

Operating model element	Performance measure	% weighting for FY2026
Revenue growth	Revenue	20%
Cost efficiency	EBITDA	40%
	Recurring free cash flow	20%
Guest satisfaction	Reputation score	20%

Annual report on remuneration continued

Implementation of the Policy in FY2026 continued

Annual bonus continued

The Directors consider that the annual bonus targets for FY2026 are commercially sensitive. The Committee will continue to disclose how the bonus payout delivered relates to performance against the targets in next year's report. Whilst performance measures are unchanged, the Reputation score will move from an end of year score to an average score over the financial year.

One third of any bonus paid will be deferred into shares which must be held for three years.

LTIP

LTIP grant levels will remain unchanged, with the CEO receiving an LTIP grant of 150% of base salary and the CFO an LTIP grant of 125% of base salary.

The extent to which the LTIP awards will vest will be determined by the performance measures listed below:

	Weighting	Threshold 25% vesting	Maximum 100% vesting
Underlying Profit Before Tax in FY2028	40%	£87m	£118m
Operating margin	30%	18.2%	19.6%
Relative Total Shareholder Return vs FTSE SmallCap (excl. the following sectors: Oil, Gas and Coal, Basic Resources, Banks, Financial Services and Investment Trusts)	30%	Median	Upper quartile

1. Straight line vesting applies between threshold and maximum.

New CFO – Replacement awards in respect of awards forfeited from previous employment

Stephen Hopson will be granted buyout awards following his appointment as CFO to replace awards forfeited from his previous employment upon leaving. An overview of the awards to be granted is provided below, with further details to be provided in next year's report once the awards have been granted.

Stephen has foregone his annual bonus for the period of time worked at his previous employer during FY2025 and has also forfeited his deferred bonus and outstanding LTIP awards. In line with our recruitment policy and as part of the discussions regarding Stephen joining, the Committee agreed to replicate the FY2025 bonus foregone, deferred bonus and LTIP awards being forfeited as closely as possible, taking into account the nature of the deferred remuneration forfeited, the performance conditions, the expected value and the time over which they would have vested or been paid.

As such, the FY2025 annual bonus foregone at his previous employer will be payable on the basis that the original financial targets are achieved, subject to the same cash and deferred shares mix as per the policy at his previous employer.

Stephen's deferred bonus awards will be replaced with Marston's shares, to be held beneficially, and subject to the equivalent holding period that applied to the original awards.

Stephen's forfeited FY2023 and 2024 LTIP awards will be replaced with equivalent awards granted under the Marston's PLC LTIP, based on the value of the original awards. These awards will vest on the same date as his original 2023 and 2024 Topps Tiles plc LTIP awards would have vested, subject to the original performance conditions and will be subject to two-year post-vesting holding periods. Clawback will also apply, if circumstances at his former employer give rise to clawback at that company. With regards to his forfeited 2025 Topps Tiles plc LTIP award, Stephen will not receive a replacement award in the same way as his other forfeited LTIP awards but will instead receive an award under the Marston's PLC LTIP in 2025, which is subject to the performance conditions set out on page 47 of this report.

We have ensured that all of the buyout arrangements are strictly like-for-like and are no more than necessary to ensure Stephen's successful recruitment.

Non-executive Director remuneration

A 2.4% increase has been applied to the base fee, and additional fees, for Non-executive Directors (in line with the increase for the CEO and that of the wider salaried workforce). The fees that apply from 1 October 2025 are set out below.

	FY2025	FY2026
Chair's fee	£220,000	£225,280
Non-executive Director basic fee	£60,646	£62,101
Additional fee for:		
Chair of the Audit Committee	£10,927	£11,189
Chair of the Remuneration Committee	£10,927	£11,189
Senior Independent Director	£10,927	£11,189

Approval

This Remuneration report was approved by the Board of Directors on 25 November 2025 and signed on its behalf by the Remuneration Committee Chair.

Octavia Morley

Chair of the Remuneration Committee
25 November 2025

Directors' report

This report contains additional information which the Directors are required by law and regulation to include within the Annual Report and Accounts. This section, along with the information from the Corporate governance report on page 27 to the Statement of Directors' responsibilities on page 56, constitutes the Directors' report in accordance with the Companies Act 2006.

Reporting requirement	Section of the Annual Report and Accounts
Dividends	Strategic report on page 12
Board of Directors	Pages 29 and 30
Greenhouse gas emissions and carbon reporting	Strategic report on page 19 and our Impact Report
Modern Slavery statement	Available at marstonpubs.co.uk/responsibility
Financial instruments	Note 25 to the Financial statements on pages 93 to 98
Section 172(1) Statement	Page 5
Stakeholder engagement	Strategic report on pages 14 and 15
Corporate governance statement	Page 27
Strategic report	Pages 1 to 26
Going concern and Viability statement	Note 1 to the Financial statements on page 71
Disclosures	Comments
Political donations	No donations were made for political purposes in the UK or EU.
Events after balance sheet	No post-balance sheet events were identified at the date of this report.

Employee information

The average number of employees within the Group is shown in Note 5 to the financial statements on page 81.

We have a responsibility to create and foster safe environments where our teams and guests feel a sense of belonging, feel respected and feel valued for who they are. We are taking steps to ensure that everyone feels included. That means creating a culture where we embrace different perspectives, backgrounds and ideas. Above all, we want our pubs and Pub Support Centre to be a place where everyone feels like they can be themselves. More information on our People and inclusion at Marston's can be found on our website and in our 2025 Impact Report.

Directors' indemnities and insurance

The Company maintains Directors' and Officers' Liability Insurance in respect of legal action that might be brought against its Directors and Officers. The Company has indemnified each of its Directors and other Officers of the Group against certain liabilities that may be incurred as a result of their position. These indemnities were in place for the whole of the period ended 27 September 2025, and as at the date of the report. There are no indemnities in place for the benefit of the external Auditor.

Directors' powers

Under the Articles of Association, the Directors have authority to allot ordinary shares subject to the aggregate set at the 2025 Annual General Meeting (AGM). The Company was also given authority at its 2025 AGM to make market purchases of ordinary shares up to a maximum number of 63,418,120 shares. Similar authority will again be sought from shareholders at the 2026 AGM. The powers of the Directors are further described in the Corporate governance report on pages 27 and 28.

Share capital and shareholder voting rights

As at 21 November 2025, being the last practicable date prior to publication of this Report, the Company's issued share capital consisted of 660,362,194 issued ordinary shares. Details of the Company's issued share capital and of the movements during the period are shown in Note 28 to the Financial statements on page 100. The Company has one class of ordinary shares and one class of preference shares. On a poll vote, ordinary and preference shareholders have one vote for every 25 pence of nominal value of ordinary and preference share capital held in relation to all circumstances at general meetings of the Company. The issued nominal value of the ordinary shares and preference shares is 100% of the total issued nominal value of all share capital.

There are no specific restrictions on the size of a holding nor on the transfer of shares, which are both governed by the general provisions of the Articles of Association and prevailing legislation. The Directors are not aware of any agreements between holders of the Company's shares that may result in restrictions on the transfer of securities or on voting rights.

Details of employee share schemes are set out in Note 27 to the Financial statements on page 99. Where shares are held on behalf of the Company's share schemes, the trustees have waived their right to vote and to dividends. No person has any special rights of control over the Company's share capital, and all issued shares are fully paid.

Significant shareholders

Notifications of the following voting interests in the Company's ordinary share capital have been received by the Company (in accordance with DTR 5). The information shown was correct at the time of disclosure. However, the date received may not have been within the current financial reporting period and the percentages shown (as provided at the time of disclosure) have not been recalculated based on the issued share capital at the period end. It should also be noted that these holdings may have changed since the Company was notified, however, notification of any change is not required until the next notifiable threshold is crossed. Subsequent to the year-end, Bradley Louis Radoff has disclosed information (in accordance with DTR 5) on 28 October 2025, disclosing an indirect interest over 5,627,125 voting rights (3.00%).

Directors' report continued

Significant shareholders continued

Shareholder	As at 27 September 2025	% of voting rights
Aberforth Partners LLP	20,604,106	11.01
HSBC Holdings plc	9,558,166	5.10
Sona Asset Management Limited	9,503,839	5.08
Momentum Global Investment Management Ltd	9,385,993	5.02
The Wellcome Trust Limited	9,385,811	5.02
Dimensional Fund Advisors LLP	9,339,455	4.98
ClearBridge Investments Limited	9,307,805	4.98
The Capital Group Companies, Inc	9,291,379	4.96
Standard Life Aberdeen plc	9,228,860	4.96
Brewin Dolphin	8,392,338	4.93
Bayberry Capital Partners LP	9,195,975	4.91
Sand Grove Capital Management	8,456,440	4.52
Royal London Asset Management Limited	6,794,023	3.99

Preference shares

The Company also discloses the following information as at 27 September 2025, obtained from the Register of Members, for the preference shares:

Shareholder	No. shares	% of issued capital
Mrs Heather Mabel Medlock	10,407	13.88
George Mary Allison Limited	5,500	7.33
Fiske Nominees Limited	31,548	42.06
Rulegale Nominees Limited	4,550	6.07
Mrs Helen Michels	2,750	3.67
Mr Richard Somerville	2,750	3.67
Mr Neil Aston and Mr Thomas Alexander Southall	2,855	3.81
CGWL Nominees Limited	2,805	3.74
Mr Nathanael Peter Knowles	4,356	5.81

Change of control

There are a number of agreements that take effect after, or terminate upon, a change of control of the Company, such as commercial contracts, bank loan agreements, property lease arrangements and employee share plans. None of these are considered to be significant in terms of their likely impact on the business as a whole. Furthermore, the Directors are not aware of any agreements between the Company and its Directors or employees that provide for compensation for loss of office or employment that occurs because of a takeover bid.

Human rights

Marston's is committed to upholding human rights, as outlined in the United Nations Universal Declaration of Human Rights, within both its business and supply chain. Our Human Rights Policy and Food Supplier Charter are available at www.marstonspubs.co.uk. More information can be also be found in our Impact Report.

Research and development

Our Director of Insights and his team regularly undertake internal research and analysis such as guest satisfaction surveys and panelling, and work closely with third-party independent data providers with expertise in retail and hospitality, including CGA and Reputation.

Auditor

The re-appointment of RSM UK Audit LLP has been approved by the Audit Committee. Resolutions to re-appoint the external Auditor and to authorise the Audit Committee to determine their remuneration will be proposed at the 2026 AGM.

Disclosure of information to the Auditor

Each Director who held office at the date of the approval of this Directors' report confirms that:

- so far as they are aware, there is no relevant audit information of which the Group's auditor is unaware;
- each Director has taken all of the relevant steps that they ought to have taken as a Director to ascertain any relevant audit information and ensure the auditor is aware of such information.

Annual General Meeting (AGM)

The 2026 AGM will be held at The Farmhouse at Mackworth in Derby on Wednesday 28 January 2026 at 10:00 am. Further information can be found in Information for shareholders on page 118 and in the Notice of Meeting available at www.marstonspubs.co.uk/investors.

By order of the Board

Bethan Raybould

General Counsel & Company Secretary
25 November 2025

Company registration number: 31461

Statement of Directors' responsibilities

The Directors are responsible for preparing the Strategic report and the Directors' report, the Directors' Remuneration report, the separate Corporate governance statement and the Financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Company financial statements for each financial year. The Directors have elected under company law, and are required under the Listing Rules of the Financial Conduct Authority, to prepare group financial statements in accordance with UK-adopted International Accounting Standards. The Directors have elected under company law to prepare the Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards and applicable law), including FRS 102 'The Financial Reporting Standards applicable in the United Kingdom and Republic of Ireland' (FRS 102).

The Group financial statements are required by law and UK-adopted International Accounting Standards to present fairly the financial position and performance of the Group; the Companies Act 2006 provides in relation to such financial statements that references in the relevant part of that Act to financial statements giving a true and fair view are references to their achieving a fair presentation.

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

- a) select suitable accounting policies and then apply them consistently;
- b) make judgements and accounting estimates that are reasonable and prudent;
- c) for the Group financial statements, state whether they have been prepared in accordance with UK-adopted International Accounting Standards;
- d) for the Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the Company financial statements; and
- e) prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

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

Directors' statement pursuant to the Disclosure and Transparency Rules

Each of the Directors, whose names and functions are listed on pages 29 and 30, confirm that, to the best of each person's knowledge:

- a) the financial statements, prepared in accordance with the applicable set of accounting standards, give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and

- b) the Strategic report/Directors' report contained in the Annual Report includes a fair review of the development and performance of the business and the position of the Company and the undertakings included in the consolidation taken as a whole, together with a description of the principal risks and uncertainties that they face.

The Directors are responsible for the maintenance and integrity of the corporate and financial information included on the Marston's PLC website.

Legislation in the United Kingdom governing the preparation and dissemination of financial statements may differ from legislation in other jurisdictions.

The Directors consider the Annual Report and Accounts, taken as a whole, is fair, balanced and understandable and provides the information necessary for shareholders to assess the Group's and the Company's position, performance, business model and strategy.

Justin Platt
Chief Executive
Officer
25 November 2025

Stephen Hopson
Chief Financial
Officer

Independent auditor's report

To the members of Marston's PLC

Opinion

We have audited the financial statements of Marston's PLC (the 'parent company') and its subsidiaries (the 'group') for the 52 week period ended 27 September 2025 which comprise the Group Income Statement, Group Statement of Comprehensive Income, Group Cash Flow Statement, Group Balance Sheet, Group Statement of Changes in Equity, Company Balance Sheet, Company Statement of Changes in Equity and notes to the financial statements, including significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and UK-adopted International Accounting Standards. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards including Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland" (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- the financial statements give a true and fair view of the state of the group's and of the parent company's affairs as at 27 September 2025 and of the group's profit for the year then ended;
- the group financial statements have been properly prepared in accordance with UK-adopted International Accounting Standards;
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) (ISAs (UK)) and applicable law. Our responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group and parent company in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed public interest entities and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Summary of our audit approach

Key audit matters Group

- Valuation of freehold and effective freehold land and buildings

Parent Company

No key audit matters noted

Materiality

Group

- Overall materiality: £8,080,000 (2024: £8,050,000)
- Performance materiality: £6,060,000 (2024: £5,635,000)

Parent Company

- Overall materiality: £15,300,000 (2024: £14,730,000)
- Performance materiality: £11,400,000 (2024: £10,300,000)

Scope

Our audit procedures covered 100% of revenue, 100% of total assets and 100% of profit before tax.

Key audit matter

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

Independent auditor's report continued

To the members of Marston's PLC

Valuation of effective freehold land and buildings

Key audit matter description

The effective freehold land and buildings within the group's property estate are held under the valuation model with a carrying value of £1,786.8m at the period end (2024: £1,661.7m) as disclosed in note 11 of the financial statements.

The valuation estimation involves the determination of key inputs for each property in the estate, being fair maintainable trade (FMT) and an applicable market multiple.

Management have appointed an external expert to provide a formal revaluation of the property estate.

Relatively small changes in these assumptions could have a significant effect on the valuation and resulting strength of the group's balance sheet.

Due to the potential for management bias in the determination of the key assumptions used to value the group's estate, which could result in a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole, we identified a significant risk in respect of the valuation of the effective freehold land and buildings.

How the matter was addressed in the audit

Our main audit procedures included the following. We:

- Obtained an understanding of the group's valuation approach, including key assumptions, methodologies and data inputs, and assessed the design and implementation of management's review controls.
- Critically assessed the independence, professional qualifications, competence and experience of both the external valuer engaged by the group, and the key management personnel involved in the valuation process.
- Designed a risk-based approach, in conjunction with our own external property expert, to identify a sample of properties within the valuation which represented a heightened risk of material misstatement due to the potential for management bias. The valuation of these properties was challenged, and we obtained explanations and supporting documentation from management to understand the rationale for these valuations for both trading expectations which informed FMT, and for market multiples.

How the matter was addressed in the audit continued

- Obtained the underlying trading data used to determine FMT and tested the reliability of this for a sample of properties, vouching inputs to source documentation and records.
- Instructed our auditor's expert to:
 - review the group's approach and valuation policy;
 - review our risk assessment process and property selection;
 - perform an inspection and assessment of the valuation assumptions for a sample of properties and perform a comparison to management's valuation estimates;
 - benchmark market multiples ranges used; and
 - consider significant changes in the market in the intervening period from the valuation date.
- Obtained and reviewed management's year end assessment of whether the property valuation and therefore carrying value of effective freehold land and buildings had materially changed between the valuation date (29 June 2025) and end of the financial period (27 September 2025).
- Evaluated the appropriateness and accuracy of management's accounting entries in respect of the third-party valuations.
- Evaluated the completeness and accuracy of disclosures, including disclosure of estimation uncertainty.

Key observations We did not identify any material issues within our testing. Overall we were satisfied with the valuation of the property estate.

Independent auditor's report continued

To the members of Marston's PLC

Our application of materiality

When establishing our overall audit strategy, we set certain thresholds which help us to determine the nature, timing and extent of our audit procedures. When evaluating whether the effects of misstatements, both individually and on the financial statements as a whole, could reasonably influence the economic decisions of the users we take into account the qualitative nature and the size of the misstatements. Based on our professional judgement, we determined materiality as follows:

	Group	Parent company
Overall materiality	£8,080,000 (2024: £8,050,000)	£15,300,000 (2024: £14,730,000)
Basis for determining overall materiality	0.9% of Revenue	1% of Total assets
Rationale for benchmark applied	Revenue is a stable primary performance measure for the users of the financial statements to review the financial performance of the Group.	Total assets is considered to be the most appropriate benchmark for the parent company.
Performance materiality	£6,060,000 (2024: £5,635,000)	£11,400,000 (2024: £10,300,000)
Basis for determining performance materiality	75% of overall materiality	75% of overall materiality
Reporting of misstatements to the Audit Committee	Misstatements in excess of £404,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.	Misstatements in excess of £765,000 and misstatements below that threshold that, in our view, warranted reporting on qualitative grounds.

An overview of the scope of our audit

The group consists of two components, located in the United Kingdom and Guernsey. The full scope audit of one component provided coverage of 100% of revenue, total assets and profit before tax. Specific audit procedures were undertaken on the remaining component.

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:

- Reviewing management's approved board paper which set out the going concern basis, key forecasting assumptions, sensitivities and conclusion;
- Involved financial modelling specialists to check the integrity and reliability of the going concern model;
- Obtaining copies of management's forecasts, downside sensitivity analysis and reverse stress test for the Group and checked the mathematical accuracy of the forecasts in arriving at liquidity and covenant headroom;
- Obtaining copies of the new financing agreements and checking the calculation of the availability of revised facilities and available covenant headroom to the Group and parent company during the going concern assessment period;
- Comparing the historical forecasts to actual trading results to assess the reliability of forecasting;
- Performing procedures on the key assumptions. This included comparing forecasts to historical actuals for both the company and the sector, obtaining independent current sector trends and forecast economic information, including consensus on consumer spending;
- Recalculating the required deterioration in forecasts to trigger a breach in covenants and assessing the likelihood of this happening taking into account our assessment of the assumptions and available mitigating actions; and
- Reviewing the disclosure and details of any significant events subsequent to the balance sheet date impacting liquidity and assessing the impact on available cash and covenant headroom.

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

In relation to the entity reporting on how they have applied the UK Corporate Governance Code, we have nothing material to add or draw attention to in relation to the directors' statement in the financial statements about whether the directors considered it appropriate to adopt the going concern basis of accounting.

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

Independent auditor's report continued

To the members of Marston's PLC

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.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, the part of the directors' remuneration report to be audited has been properly prepared in accordance with the Companies Act 2006.

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

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

Matters on which we are required to report by exception

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

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

- adequate accounting records have not been kept by the parent company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent company financial statements and the part of the directors' remuneration report to be audited 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.

Corporate governance statement

We have reviewed the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to the parent company's compliance with the provisions of the UK Corporate Governance Code specified for our review by the Listing Rules.

Based on the work undertaken as part of our audit, we have concluded that each of the following elements of the Corporate Governance Statement is materially consistent with the financial statements and our knowledge obtained during the audit:

- Directors' statement with regards the appropriateness of adopting the going concern basis of accounting and any material uncertainties identified set out on page 13;
- Directors' explanation as to their assessment of the group's prospects, the period this assessment covers and why the period is appropriate set out on page 26;
- Directors' statement on whether it has a reasonable expectation that the group will be able to continue in operation and meets its liabilities set out on page 26;
- Directors' statement on fair, balanced and understandable set out on page 56;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks set out on page 22;
- Section of the Annual Report that describes the review of effectiveness of risk management and internal control systems set out on page 20; and,
- Section describing the work of the audit committee set out on page 33.

Responsibilities of directors

As explained more fully in the directors' responsibilities statement set out on page 56, 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.

Independent auditor's report continued

To the members of Marston's PLC

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.

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

Irregularities are instances of non-compliance with laws and regulations. The objectives of our audit are to obtain sufficient appropriate audit evidence regarding compliance with laws and regulations that have a direct effect on the determination of material amounts and disclosures in the financial statements, to perform audit procedures to help identify instances of non-compliance with other laws and regulations that may have a material effect on the financial statements, and to respond appropriately to identified or suspected non-compliance with laws and regulations identified during the audit.

In relation to fraud, the objectives of our audit are to identify and assess the risk of material misstatement of the financial statements due to fraud, to obtain sufficient appropriate audit evidence regarding the assessed risks of material misstatement due to fraud through designing and implementing appropriate responses and to respond appropriately to fraud or suspected fraud identified during the audit.

However, it is the primary responsibility of management, with the oversight of those charged with governance, to ensure that the entity's operations are conducted in accordance with the provisions of laws and regulations and for the prevention and detection of fraud.

In identifying and assessing risks of material misstatement in respect of irregularities, including fraud, the group audit engagement team:

- obtained an understanding of the nature of the industry and sector, including the legal and regulatory frameworks that the group and parent company operate in and how the group and parent company are complying with the legal and regulatory frameworks;
- inquired of management, and those charged with governance, about their own identification and assessment of the risks of irregularities, including any known actual, suspected or alleged instances of fraud;
- discussed matters about non-compliance with laws and regulations and how fraud might occur including assessment of how and where the financial statements may be susceptible to fraud having obtained an understanding of the overall control environment.

The most significant laws and regulations were determined as follows:

Legislation/Regulation	Additional audit procedures performed by the Group audit engagement team included:
IFRS/FRS 102 and Companies Act 2006/ Listing Rules	Review of the financial statement disclosures and testing to supporting documentation. Review of correspondence with regulators where any has been received and action taken by the Group as a result of this correspondence. Completion of disclosure checklists to identify areas of non-compliance.
Tax compliance regulations	Input from a tax specialist in relation to current and deferred taxes on property related matters. Review of correspondence with tax authorities where any has been received. Consideration of whether any matter identified during the audit required reporting to an appropriate authority outside the entity.
Food Safety/ Employment law/Pubs code/ Health and Safety regulations	ISAs limit the required audit procedures to identify non-compliance with these laws and regulations to inquiry of management and where appropriate, those charged with governance (as noted above) and inspection of legal and regulatory correspondence, if any. We have completed these procedures which included discussions with the group's legal counsel.

The areas that we identified as being susceptible to material misstatement due to fraud were:

Risk	Audit procedures performed by the audit engagement team:
Revenue recognition	A selection of transactions posted to nominal ledger codes outside of the normal revenue cycle were identified using a data analytic tool and support was obtained to verify the transaction identified.
Management override of controls	Testing the appropriateness of journal entries and other adjustments selected using data analytics to determine a risk based sample; Assessing whether the judgements made in making accounting estimates are indicative of a potential bias; and Evaluating the business rationale of any significant transactions that are unusual or outside the normal course of business.

Independent auditor's report continued

To the members of Marston's PLC

The extent to which the audit was considered capable of detecting irregularities, including fraud continued

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

Other matters which we are required to address

Following the recommendation of the audit committee, we were appointed by the board of Directors on 31 January 2024 to audit the financial statements for the period ending 28 September 2024 and subsequent financial periods.

The period of total uninterrupted consecutive appointments is two years, covering the periods ending 28 September 2024 to 27 September 2025.

The non-audit services prohibited by the FRC's Ethical Standard were not provided to the group or the parent company and we remain independent of the group and the parent company in conducting our audit.

Our audit opinion is consistent with the additional report to the audit committee in accordance with ISAs (UK).

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.

As required by the Financial Conduct Authority (FCA) Disclosure Guidance and Transparency Rules, these financial statements form part of the Annual Financial Report prepared in Extensible Hypertext Markup Language (XHTML) format and filed on the National Storage Mechanism of the UK FCA. This auditor's report provides no assurance over whether the annual financial report has been prepared in XHTML format.

Ian Wall

(Senior Statutory Auditor)

For and on behalf of RSM UK Audit LLP, Statutory Auditor
Chartered Accountants
103 Colmore Row
Birmingham
B3 3AG

25 November 2025

Group income statement

For the 52 weeks ended 27 September 2025

	Note	2025			2024		
		Underlying ¹ £m	Non- underlying ¹ (note 4) £m	Total £m	Underlying ¹ £m	Non- underlying ¹ (note 4) £m	Total £m
Revenue	3	897.9	–	897.9	898.6	–	898.6
Net operating expenses	3	(738.0)	19.8	(718.2)	(751.4)	4.5	(746.9)
Operating profit		159.9	19.8	179.7	147.2	4.5	151.7
Finance costs	6	(90.0)	–	(90.0)	(106.5)	–	(106.5)
Finance income	6	2.2	–	2.2	1.4	–	1.4
Interest rate swap movements	4, 6	–	(3.6)	(3.6)	–	(32.2)	(32.2)
Net finance costs	4, 6	(87.8)	(3.6)	(91.4)	(105.1)	(32.2)	(137.3)
Profit/(loss) before taxation		72.1	16.2	88.3	42.1	(27.7)	14.4
Taxation	4, 7	(18.3)	1.6	(16.7)	(9.0)	12.1	3.1
Profit/(loss) for the period from continuing operations		53.8	17.8	71.6	33.1	(15.6)	17.5
Discontinued operations							
Profit/(loss) for the period from discontinued operations	4, 8	–	–	–	0.5	(36.5)	(36.0)
Profit/(loss) for the period attributable to equity shareholders		53.8	17.8	71.6	33.6	(52.1)	(18.5)

The results for the current period reflect the 52 weeks ended 27 September 2025 and the results for the prior period reflect the 52 weeks ended 28 September 2024.

	Note	2025 p	2024 p
Earnings/(loss) per share:			
Basic earnings/(loss) per share	9		
Total		11.3	(2.9)
Continuing		11.3	2.8
Discontinued		–	(5.7)
Basic underlying ¹ earnings per share	9		
Total		8.5	5.3
Continuing		8.5	5.2
Discontinued		–	0.1
Diluted earnings/(loss) per share	9		
Total		11.1	(2.8)
Continuing		11.1	2.7
Discontinued		–	(5.5)
Diluted underlying ¹ earnings per share	9		
Total		8.3	5.1
Continuing		8.3	5.0
Discontinued		–	0.1

1. Alternative performance measures (APMs) are defined and reconciled to a statutory equivalent in the Additional information section on pages 114 to 117.

Group statement of comprehensive income

For the 52 weeks ended 27 September 2025

	2025 £m	2024 £m
Profit/(loss) for the period	71.6	(18.5)
Items of other comprehensive income that may subsequently be reclassified to profit or loss		
Gains/(losses) arising on cash flow hedges	1.9	(2.8)
Transfers to the income statement on cash flow hedges	6.8	7.6
Other comprehensive expense of associates relating to discontinued operations	–	(0.1)
Tax on items that may subsequently be reclassified to profit or loss	(2.2)	(1.2)
	6.5	3.5
Items of other comprehensive income that will not be reclassified to profit or loss		
Remeasurement of retirement benefits	1.5	(6.9)
Unrealised surplus on revaluation of properties	109.8	80.8
Reversal of past revaluation surplus	(38.6)	(39.8)
Tax on items that will not be reclassified to profit or loss	(16.2)	(8.1)
	56.5	26.0
Other comprehensive income for the period	63.0	29.5
Total comprehensive income for the period attributable to equity shareholders	134.6	11.0

The results for the current period reflect the 52 weeks ended 27 September 2025 and the results for the prior period reflect the 52 weeks ended 28 September 2024.

Group cash flow statement

For the 52 weeks ended 27 September 2025

	Note	2025 £m	2024 £m
Operating activities			
Profit/(loss) for the period		71.6	(18.5)
Taxation		16.7	(3.1)
Net finance costs		91.4	137.3
Depreciation and amortisation		45.2	45.3
Working capital movement	31	3.0	8.2
Non-cash movements	31	(21.5)	32.7
Decrease in provisions and other non-current liabilities		(0.3)	(0.9)
Difference between defined benefit pension contributions paid and amounts charged		(1.6)	(7.5)
Dividends from associates		-	13.8
Income tax (paid)/received		(5.3)	0.1
Net cash inflow from operating activities		199.2	207.4
Investing activities			
Interest received		2.2	1.7
Sale of property, plant and equipment and assets held for sale		6.4	46.9
Purchase of property, plant and equipment and intangible assets		(61.2)	(46.2)
Disposal of associate		(2.8)	205.5
Finance lease capital repayments received		1.2	2.0
Net transfer from other cash deposits	30	-	2.0
Net cash (outflow)/inflow from investing activities		(54.2)	211.9
Financing activities			
Interest paid		(86.6)	(101.9)
Arrangement costs of bank facilities		(0.9)	(3.6)
Swap termination costs		-	(2.0)
Purchase of own shares		(0.8)	-
Proceeds from sale of own shares		0.1	-
Repayment of securitised debt		(43.8)	(41.5)
Repayment of bank borrowings*		(215.0)	(419.0)
Advance of bank borrowings*		201.0	225.0
Net repayments of capital element of lease liabilities		(8.6)	(8.4)
Repayment of other borrowings		-	(50.0)
Net cash outflow from financing activities		(154.6)	(401.4)
Net (decrease)/increase in cash and cash equivalents	30	(9.6)	17.9

The cash flows for the current period reflect the 52 weeks ended 27 September 2025 and the cash flows for the prior period reflect the 52 weeks ended 28 September 2024.

* The Group reports cash flows arising from its bank borrowing facilities on a gross basis where the maturity periods were greater than three months. The net repayment of bank borrowings in the current period was £14.0 million (2024: £194.0 million).

Group balance sheet

As at 27 September 2025

	Note	27 September 2025 £m	28 September 2024 £m
Non-current assets			
Intangible assets	10	26.9	29.3
Property, plant and equipment	11	2,181.3	2,069.0
Other non-current assets	13	14.7	14.4
Retirement benefit surplus	15	15.4	13.1
Derivative financial instruments	16	0.7	0.4
		2,239.0	2,126.2
Current assets			
Inventories	17	13.8	14.4
Trade and other receivables	18	27.6	25.9
Other cash deposits		1.1	1.1
Cash and cash equivalents		34.8	44.4
		77.3	85.8
Assets held for sale	19	-	1.3
		77.3	87.1
Current liabilities			
Borrowings	20	(62.2)	(58.2)
Trade and other payables	22	(182.1)	(179.5)
Current tax liabilities		(3.9)	(2.8)
Provisions for other liabilities and charges	23	(0.6)	(0.6)
		(248.8)	(241.1)
Non-current liabilities			
Borrowings	20	(1,179.4)	(1,244.7)
Derivative financial instruments	16	(54.6)	(59.4)
Other non-current liabilities	24	(9.4)	(8.3)
Provisions for other liabilities and charges	23	(2.5)	(2.6)
Deferred tax liabilities	26	(30.9)	(2.4)
		(1,276.8)	(1,317.4)
Net assets		790.7	654.8

Group balance sheet continued

As at 27 September 2025

	Note	27 September 2025 £m	28 September 2024 £m
Shareholders' equity			
Equity share capital	28	48.7	48.7
Share premium account		334.0	334.0
Revaluation reserve		486.2	431.6
Capital redemption reserve	29	6.8	6.8
Hedging reserve		(34.3)	(40.8)
Own shares	29	(108.3)	(110.2)
Retained earnings		57.6	(15.3)
Total equity		790.7	654.8

The financial statements were approved by the Board and authorised for issue on 25 November 2025 and are signed on its behalf by:

Justin Platt

Chief Executive Officer
25 November 2025

Group statement of changes in equity

For the 52 weeks ended 27 September 2025

	Equity share capital £m	Share premium account £m	Revaluation reserve £m	Capital redemption reserve £m	Hedging reserve £m	Own shares £m	Retained earnings £m	Total equity £m
At 29 September 2024	48.7	334.0	431.6	6.8	(40.8)	(110.2)	(15.3)	654.8
Profit for the period	–	–	–	–	–	–	71.6	71.6
Remeasurement of retirement benefits	–	–	–	–	–	–	1.5	1.5
Tax on remeasurement of retirement benefits	–	–	–	–	–	–	(0.4)	(0.4)
Gains on cash flow hedges	–	–	–	–	1.9	–	–	1.9
Transfers to the income statement on cash flow hedges	–	–	–	–	6.8	–	–	6.8
Tax on hedging reserve movements	–	–	–	–	(2.2)	–	–	(2.2)
Property revaluation	–	–	109.8	–	–	–	–	109.8
Property impairment	–	–	(38.6)	–	–	–	–	(38.6)
Deferred tax on properties	–	–	(15.8)	–	–	–	–	(15.8)
Total comprehensive income	–	–	55.4	–	6.5	–	72.7	134.6
Share-based payments	–	–	–	–	–	–	1.8	1.8
Tax on share-based payments	–	–	–	–	–	–	0.2	0.2
Purchase of own shares	–	–	–	–	–	(0.8)	–	(0.8)
Sale of own shares	–	–	–	–	–	2.7	(2.6)	0.1
Transfer disposals to retained earnings	–	–	(0.8)	–	–	–	0.8	–
Total transactions with owners	–	–	(0.8)	–	–	1.9	0.2	1.3
At 27 September 2025	48.7	334.0	486.2	6.8	(34.3)	(108.3)	57.6	790.7

Group statement of changes in equity continued

For the 52 weeks ended 28 September 2024

	Equity share capital £m	Share premium account £m	Revaluation reserve £m	Capital redemption reserve £m	Hedging reserve £m	Own shares £m	Retained earnings £m	Total equity £m
At 1 October 2023	48.7	334.0	412.1	6.8	(44.4)	(110.6)	(6.5)	640.1
Loss for the period	–	–	–	–	–	–	(18.5)	(18.5)
Remeasurement of retirement benefits	–	–	–	–	–	–	(6.9)	(6.9)
Tax on remeasurement of retirement benefits	–	–	–	–	–	–	1.7	1.7
Losses on cash flow hedges	–	–	–	–	(2.8)	–	–	(2.8)
Transfers to the income statement on cash flow hedges	–	–	–	–	7.6	–	–	7.6
Tax on hedging reserve movements	–	–	–	–	(1.2)	–	–	(1.2)
Other comprehensive expense of associates	–	–	–	–	–	–	(0.1)	(0.1)
Property revaluation	–	–	80.8	–	–	–	–	80.8
Property impairment	–	–	(39.8)	–	–	–	–	(39.8)
Deferred tax on properties	–	–	(9.8)	–	–	–	–	(9.8)
Total comprehensive income/(expense)	–	–	31.2	–	3.6	–	(23.8)	11.0
Share-based payments	–	–	–	–	–	–	2.0	2.0
Tax on share-based payments	–	–	–	–	–	–	0.1	0.1
Sale of own shares	–	–	–	–	–	0.4	(0.4)	–
Transfer disposals to retained earnings	–	–	(13.8)	–	–	–	13.8	–
Transfer tax to retained earnings	–	–	2.1	–	–	–	(2.1)	–
Changes in equity of associates	–	–	–	–	–	–	1.6	1.6
Total transactions with owners	–	–	(11.7)	–	–	0.4	15.0	3.7
At 28 September 2024	48.7	334.0	431.6	6.8	(40.8)	(110.2)	(15.3)	654.8

Further detail in respect of the Group's equity is provided in notes 28 and 29.

Notes to the Group financial statements

For the 52 weeks ended 27 September 2025

1 Accounting policies

The Group's principal accounting policies are set out below:

Basis of preparation

These consolidated financial statements for the 52 weeks ended 27 September 2025 (2024: 52 weeks ended 28 September 2024) have been prepared in accordance with UK-adopted International Accounting Standards in conformity with the requirements of the Companies Act 2006. The financial statements have been prepared under the historical cost convention as modified by the revaluation of certain items, principally effective freehold land and buildings, certain financial instruments, retirement benefits and share-based payments, as explained below.

New standards

The Group has adopted the following new or revised standards in the current period:

IFRS 7	Financial Instruments: Disclosures Supplier finance arrangements
IFRS 16	Leases Amendments regarding seller-lessee subsequent measurement in a sale and leaseback transaction
IAS 1	Presentation of Financial Statements Amendments regarding the classification of liabilities Amendments regarding the classification of debt with covenants
IAS 7	Statement of Cash Flows Supplier finance arrangements

There are no material impacts of these new or revised standards on the consolidated financial statements for the 52 weeks ended 27 September 2025.

The International Accounting Standards Board (IASB) has issued the following new or revised standards with an effective date for financial periods beginning on or after the dates disclosed below. These standards have not yet been adopted by the Group. The IASB has also issued a number of minor amendments to standards as part of its Annual Improvements to IFRS.

IFRS 7	Financial Instruments: Disclosures Amendments to the classification and measurement of financial instruments Amendments regarding contracts referencing nature-dependent electricity	1 January 2026 1 January 2026
IFRS 9	Financial Instruments Amendments to the classification and measurement of financial instruments Amendments regarding contracts referencing nature-dependent electricity	1 January 2026 1 January 2026
IFRS 10	Consolidated Financial Statements Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	Date deferred
IFRS 18	Presentation and Disclosure in Financial Statements New accounting standard	1 January 2027
IFRS 19	Subsidiaries without Public Accountability: Disclosures New accounting standard	1 January 2027
IAS 21	The Effects of Changes in Foreign Exchange Rates Lack of exchangeability	1 January 2025
IAS 28	Investments in Associates and Joint Ventures Amendments regarding the sale or contribution of assets between an investor and its associate or joint venture	Date deferred

IFRS 18 'Presentation and Disclosure in Financial Statements' is effective for accounting periods beginning on or after 1 January 2027, with early adoption permitted. Application of the standard will require restatement of comparative information. IFRS 18 replaces IAS 1 'Presentation of Financial Statements' and introduces a revised framework for presenting financial performance, with a particular emphasis on the income statement. While the recognition and measurement of items remain unchanged, the standard introduces three newly defined categories – Operating, Investing and Financing – and two new subtotals: Operating Profit or Loss and Profit or Loss Before Financing and Income Tax. In addition, IFRS 18 enhances disclosure requirements, including the introduction of Management-Defined Performance Measures (MPMs) and more detailed guidance on aggregation and disaggregation.

The Group is currently assessing the implications of IFRS 18. At this stage, it is not practicable to quantify the potential impact on the consolidated financial statements. There is no impact on the current year's presentation, as the standard is not yet effective.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Going concern

The Group successfully secured the extension of its bank facility, which was due to expire in July 2026. The revised funding comprises a £200.0 million bank facility available until July 2027 (of which £21.0 million was drawn at 27 September 2025) and a £5.0 million seasonal overdraft facility (of which £nil was drawn at 27 September 2025). The Group's sources of funding also include its securitised debt.

There are three covenants associated with the Group's amended bank borrowings for the non-securitised group of companies – Debt Cover, Interest Cover and Liquidity. The Debt Cover covenant is a measure of net borrowings to EBITDA, the Interest Cover covenant is a measure of EBITDA to finance charges, and the Liquidity covenant is a measure of headroom on the Group's bank borrowings. The covenant levels remain unchanged except for the Interest Cover covenant which does not step up to 2.0 times until 3 April 2027 (previously 28 March 2026).

There are two covenants associated with the Group's securitised debt. The FCF DSCR is a measure of free cash flow to debt service for the group headed by Marston's Pubs Parent Limited and the Net Worth is derived from the net assets of that group of companies.

The Directors have performed an assessment of going concern over the period of 12 months from the date of signing these financial statements, to assess the adequacy of the Group's financial resources. In performing their assessment, the Directors considered the Group's financial position and exposure to principal risks, including the risk of 'uncertain economic and geopolitical outlook', in which high inflation, slow GDP growth and elevated interest rates may lead to lower discretionary spending on leisure activities, leading to reduced footfall and average spend per visit. This assessment predates the Autumn Budget 2025 and therefore does not include the impact of any specific measures which may be announced. However, downsides are considered in this going concern assessment as set out below.

The Group's base case forecast assumes moderate sales price increases and operational costs (that have not already been secured) rising broadly in line with inflation together with continuing progress on the margin expansion programme. The conclusion of this assessment was that the Directors are satisfied that the Group has adequate liquidity, is not forecast to breach any covenants within its banking group or securitisation in its base case forecast and has sufficient resources to continue in operational existence for a period of at least 12 months from the date of approval of these financial statements.

Due to the uncertain economic and geopolitical outlook, risk of further inflationary pressures and the potential impact of this on guest sentiment, the Group has analysed a downside scenario in which a lower level of sales are achieved compared to the base case forecast with additional costs beyond those forecast in the base case and variable costs flexing with the reduced volume, excluding any potential mitigating management actions. The result of this downside scenario is that the Group would still have sufficient liquidity to settle liabilities as they fall due and headroom within its financial covenants throughout the going concern review period.

The Group has also performed a reverse stress test case, which analyses to what extent sales would need to decrease from the base case in order to breach financial covenants, with similar cost assumptions to that of the base case forecast and variable costs flexing with the reduced volume. This reverse stress test shows that the Group could withstand a reduction in sales of over 10% from those assessed in the base case throughout the going concern period, excluding any mitigating actions other than the removal of discretionary employee reward payments. The Directors consider this scenario to be remote as, other than when the business was closed during the pandemic, the Group has never experienced sales declines to this level. Additionally, the Group could take management actions within the Directors' control including deferral or reduction of discretionary spend to partially mitigate the financial impact.

Accordingly, the financial statements have been prepared on the going concern basis.

Basis of consolidation

The consolidated financial statements incorporate the financial statements of Marston's PLC and all of its subsidiary undertakings. The results of subsidiary undertakings are included in the Group accounts from the date on which control transferred to the Group or, in the case of disposals, up to the date when control ceased. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. In assessing control, the Group takes into consideration potential voting rights. Transactions between Group companies are eliminated on consolidation.

The Group has applied the purchase method in accounting for the acquisition of subsidiaries. The cost of an acquisition is measured as the fair value of the consideration paid and deferred. Identifiable assets acquired and liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. Acquisition costs are expensed as incurred. The excess of the cost of acquisition over the fair value of the Group's share of the identifiable net assets acquired is recorded as goodwill. If the cost of acquisition is less than the fair value of the Group's share of the identifiable net assets of the subsidiary acquired, the difference is recognised immediately in the income statement.

The consolidated financial statements incorporate the results of Marston's Issuer PLC and its parent company, Marston's Issuer Parent Limited. Marston's Issuer PLC was set up with the sole purpose of issuing debt secured on assets owned by the Group. Wilmington Trust SP Services (London) Limited holds the shares of Marston's Issuer Parent Limited under a declaration of trust for charitable purposes. The rights provided to the Group through the securitisation give the Group power over these companies and the ability to use that power to affect its exposure to variable returns from them. As such the Directors of Marston's PLC 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.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Basis of consolidation continued

The Group's interests in associates are accounted for using the equity method. On initial recognition the investment in an associate is recognised at cost and the carrying amount is subsequently increased or decreased to recognise the Group's share of the profit or loss, other comprehensive income and changes in equity of the associate after the date of acquisition. The net investment in an associate is impaired and impairment losses are incurred if, and only if, there is objective evidence of impairment as a result of events that occurred after the initial recognition of the net investment which have an impact on the estimated future cash flows that can be reliably estimated. During the prior period, the Group sold the whole of its 40% interest in Carlsberg Marston's Limited to a subsidiary of Carlsberg A/S.

Revenue and other operating income

The Group's revenue from contracts with customers comprises outlet sales, wholesale sales and rental income.

Sales from managed and pub partnership sites

The Group sells food and drink to customers in its pubs. Revenue from the sale of food and drink is recognised when the goods are sold to the customers in the pubs. Payment of the transaction price is due immediately when the goods are provided to the customer.

The Group provides accommodation to customers in its pubs and lodges. Revenue from the provision of accommodation is recognised over the period of the customer's stay. Payment of the transaction price is generally due at the time of the customer's stay.

The Group provides gaming machines for customers to play in its pubs. Revenue from gaming machines is recognised when the game has been played. Payment of the transaction price is due when the game is played.

In respect of its franchised arrangements, where the Group controls the above goods or services before those goods or services are transferred to the customer, the associated income is included within the Group's revenue. The Group recognises revenue in respect of its franchised arrangements as a principal rather than an agent because the Group has discretion in establishing prices for the above goods or services with the supplier and controls the goods prior to transfer to the customer.

Wholesale sales

The Group sells drinks to tenants of its licensed properties. Revenue is recognised when the Group has transferred control of the goods to the customer. This occurs when the goods have been delivered to the customer, the Group cannot require the return or transfer of the goods and the customer has an unconditional obligation to pay for the goods.

The Group has discretion in establishing the price of goods delivered to the customer and the Group is responsible for fulfilling the promise to provide the specified goods.

A receivable is recognised when the goods are delivered, and payment is due in line with each customer's individual credit terms. These terms are all less than one year and as such no element of financing is considered to be present.

Rental income

The Group also includes rent receivable from tenants of its licensed properties within revenue. This income is recognised in the period to which it relates.

Operating segments

The Group is considered to have one operating segment under IFRS 8 'Operating Segments' and therefore no disclosures are presented. This is in line with the reporting to the chief operating decision maker and the operational structure of the business. The measure of profit or loss reviewed by the chief operating decision maker is underlying¹ profit/loss before tax for the total of continuing and discontinued operations.

Non-underlying¹ items

In order to illustrate the underlying¹ performance of the Group, presentation has been made of performance measures excluding those items which it is considered would distort the comparability of the Group's results. Non-underlying¹ items are defined as those items of income and expense which, because of the size, nature and/or expected infrequency of the events giving rise to them, are considered material, and merit separate presentation to enable users of the financial statements to better understand elements of financial performance in the period, and to facilitate comparison with future and prior periods.

In determining whether an item should be presented as non-underlying¹, the Group considers items which are significant either because of their size or their nature, and which may be non-recurring. For an item to be considered as non-underlying¹, it must initially meet at least one of the following criteria:

- Its size is significant in the context of the element of the results or balance it relates to.
- The nature of the item is outside the normal or core business activities.
- It may span accounting periods but is not expected to recur routinely in future periods.

If an item meets at least one of the criteria, the Group then exercises judgement as to whether the item should be classified as non-underlying¹. In exercising this judgement, the Group also takes into account consistency with any disclosures in prior periods.

Non-underlying¹ items are one of the matters which involve significant judgement. Items of significant judgement are reviewed by the Board, through the Audit Committee.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Non-underlying¹ items continued

Details in respect of non-underlying¹ items recognised in the current and prior period are provided in note 4. Significant judgements in respect of the classification of non-underlying¹ items in the current period related to the impairment (reversal) of freehold and leasehold properties, reorganisation, restructuring and relocation costs and the interest rate swap movements. These items were considered to be non-underlying¹ as they were significant items that resulted primarily from movements in external market variables or considerable one-off factors rather than reflecting the underlying¹ trading performance of the Group.

Intangible assets

Intangible assets are carried at cost less accumulated amortisation and any impairment losses. Intangible assets arising on an acquisition are recognised separately from goodwill if the fair value of these assets can be identified separately and measured reliably.

Amortisation is calculated on a straight-line basis over the estimated useful life of the intangible asset. Where the useful life of the asset is considered to be indefinite no annual amortisation is provided but the asset is subject to annual impairment reviews. Impairment reviews are carried out more frequently if events or changes in circumstances indicate that the carrying value of an asset may be impaired. Any impairment of carrying value is charged to the income statement. The useful lives of the Group's intangible assets are:

Computer software 5 to 20 years

Property, plant and equipment

- Land and buildings which are either freehold or are in substance freehold assets are classed as effective freehold land and buildings. This includes leasehold land and buildings with a term exceeding 100 years at acquisition/commencement of the lease or where there is an option to purchase the freehold at the end of the lease term for a nominal amount. All other leasehold land and buildings are classed as leasehold land and buildings.
- Effective freehold land and buildings are initially stated at cost and subsequently at valuation. Leasehold land and buildings and fixtures, fittings, tools and equipment are stated at cost.
- Depreciation is charged to the income statement on a straight-line basis to provide for the cost or valuation of the assets less their residual values over their useful lives.
- Land and buildings are depreciated to their residual values over the lower of the lease term (where applicable) and 50 years.
- Fixtures, fittings, tools and equipment are depreciated over periods ranging from 3 to 15 years.
- Own labour and interest costs directly attributable to capital projects are capitalised.

Residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date. The Group's effective freehold land and buildings in respect of its pub estate are considered to have a residual value equal to their current valuation and as such no depreciation is charged on these assets.

Effective freehold land and buildings are revalued by qualified valuers on an annual basis using open market values so that the carrying value of an asset does not differ significantly from its fair value at the balance sheet date. The annual valuations are determined via third-party inspection of approximately a third of the sites such that all sites are individually inspected every three years. Substantially all of the Group's effective freehold land and buildings have been valued by a third party in accordance with the Royal Institution of Chartered Surveyors' Red Book. These valuations are performed directly by reference to observable prices in an active market or recent market transactions on arm's length terms for determined multiples and unobservable market data for fair maintainable trade. Internal valuations are performed on the same basis.

For effective freehold land and buildings, revaluation losses are charged to the revaluation reserve to the extent that a previous gain has been recorded for that asset, and thereafter to the income statement. Surpluses on revaluation are recognised in the revaluation reserve, except to the extent that they reverse previously charged impairment losses for that asset, in which case the reversal is recorded in the income statement.

The effective freehold property estate is assessed at each reporting date to ensure that the carrying amount does not differ materially from that which would be determined using fair value at the end of the reporting period. This is consistent with the requirements of IAS 16 'Property, Plant and Equipment'.

Disposals of property, plant and equipment

Profit/loss on disposal of property, plant and equipment represents net sale proceeds less the carrying value of the assets and any associated lease liabilities. Any element of the revaluation reserve relating to the property disposed of is transferred to retained earnings at the date of sale.

Impairment

If there are indications of impairment or reversal of impairment, an assessment is made of the recoverable amount of each significant cash generating unit; these are considered to be the individual trading sites. If there are indications of impairment or reversal of impairment as a result of a gap between the Group's market capitalisation and asset values, an assessment is made of the recoverable amount of the Group as a single cash generating unit; this includes the Group's effective freehold land and buildings and leasehold land and buildings. An impairment loss is recognised where the recoverable amount is lower than the carrying value of assets, including goodwill. The recoverable amount is the higher of value in use and fair value less costs to sell. The impairment loss is recognised in the income statement unless the asset is carried at a revalued amount, in which case the impairment loss is charged to the revaluation reserve to the extent that a previous gain has been recorded, and thereafter to the income statement.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Impairment continued

Where there is an indication that any previously recognised impairment losses no longer exist or have decreased, a reversal of the loss is made 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 or amortisation, had no impairment loss been recognised for the asset in prior periods. The reversal is recognised in the income statement unless the asset is carried at a revalued amount. The reversal of an impairment loss on a revalued asset is recognised in other comprehensive income and increases the revaluation surplus for that asset. However, to the extent that an impairment loss on the same revalued asset was previously recognised in the income statement, the reversal of that impairment loss is recognised in the income statement. The depreciation charge is adjusted in future periods to allocate the asset's revised carrying value, less any residual value, on a systematic basis over its remaining useful life. There is no reversal of impairment losses relating to goodwill.

Leases

At the inception of a contract the Group assesses whether that contract is, or contains, a lease. This is the case if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

The lease term is determined as the non-cancellable period of a lease together with periods covered by an option to extend the lease if the Group is reasonably certain to exercise that option and the periods covered by an option to terminate the lease if the Group is reasonably certain not to exercise that option.

The Group has elected not to apply the lessee requirements of IFRS 16 to short-term leases and leases for which the underlying asset is of low value. The lease payments for such leases are recognised as an expense on a straight-line basis over the lease term. For all other leases where it is the lessee the Group recognises a lease liability and a right-of-use asset at the commencement date of the lease.

The lease liability is recognised as the present value of the lease payments discounted using either the interest rate implicit in the lease or, where that rate cannot be readily determined, the Group's incremental borrowing rate. The lease payments include variable payments that depend on an index or rate and the exercise price of a purchase option if it is reasonably certain that it will be exercised. The lease liability is subsequently increased to reflect the interest thereon, reduced by the lease payments made and remeasured to reflect any reassessments or lease modifications, such as a change in future lease payments resulting from a change in an index or rate or a change in the lease term.

The right-of-use asset is recognised at an amount equal to the total of the lease liability, any lease payments made at or before the commencement date, any initial direct costs and the estimated future dismantling, removal and site restoration costs. The Group has elected to apply the revaluation model to right-of-use assets relating to the effective freehold land and buildings class of property, plant and equipment. All other right-of-use assets are held under the cost model and subsequently measured at cost less any accumulated depreciation and impairment losses and adjusted for any remeasurement of the lease liability.

For assets where the Group is the lessor, leases are classified as finance leases if the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases. Where the Group is an intermediate lessor of an asset, the sublease is classified as a finance lease or an operating lease by reference to the right-of-use asset arising from the head lease rather than the underlying asset.

Income receivable under operating leases is credited to the income statement on a straight-line basis over the term of the lease.

Where a sublease is classified as a finance lease the right-of-use asset is derecognised and the Group recognises a finance lease receivable at an amount equal to the net investment in the lease. The lease payments are discounted at the interest rate implicit in the lease, or where this cannot be readily determined, the discount rate used for the head lease. Finance income is recognised over the lease term based on a pattern reflecting a constant periodic rate of return on the net investment in the lease.

Obligations arising from sale and leaseback arrangements with repurchase options that do not fall within the scope of IFRS 16 are classified as other lease related borrowings and accounted for in accordance with IFRS 9 'Financial Instruments'.

Inventories

Inventories are stated at the lower of cost and net realisable value and are valued on a 'first in, first out' basis.

Assets held for sale

Assets, typically properties and related fixtures and fittings, are categorised as held for sale when their value will be recovered through a sale transaction rather than continuing use. This condition is met when the sale is highly probable, the asset is available for immediate sale in its present condition and it is being actively marketed. In addition, the Group must be committed to the sale and completion should be expected to occur within one year from the date of classification. Assets held for sale are valued at the lower of carrying value and fair value less costs to sell. Once classified as held for sale, intangible assets and property, plant and equipment are no longer amortised or depreciated.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Financial instruments

The Group classifies its financial assets in one of the following two categories: at fair value through profit or loss and at amortised cost. The Group classifies its financial liabilities in one of the following two categories: at fair value through profit or loss and other financial liabilities.

The Group classifies a financial asset as at amortised cost if it has not been designated as at fair value through profit or loss, the asset is held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest.

Financial instruments at fair value through profit or loss

Derivatives are categorised as financial instruments at fair value through profit or loss unless they are designated as part of a hedging relationship. The Group holds no other financial instruments at fair value through profit or loss.

Financial assets at amortised cost

Financial assets at amortised cost comprise finance lease receivables, trade receivables, other receivables, other cash deposits and cash and cash equivalents in the balance sheet and are measured using the effective interest method.

Other financial liabilities

Non-derivative financial liabilities are classified as other financial liabilities. The Group's other financial liabilities comprise borrowings, trade payables and other payables. Other financial liabilities are carried at amortised cost using the effective interest method.

Financial assets are derecognised when the rights to receive cash flows from the investments have expired or have been transferred and the Group has transferred substantially all risks and rewards of ownership.

It is, and has been throughout the period under review, the Group's policy that no trading in financial instruments shall be undertaken.

Derivative financial instruments

The only derivative financial instruments that the Group enters into are interest rate swaps. The purpose of these transactions is to manage the interest rate risk arising from the Group's operations and its sources of finance.

Derivatives are initially recognised at fair value on the date the derivative contract is entered into and are subsequently remeasured at their fair value at each balance sheet date. The method of recognising the resulting gain or loss depends on whether the derivative is designated as a hedging instrument.

The effective portion of changes in the fair value of derivatives that are designated and qualify as cash flow hedges is recognised in other comprehensive income. The gain or loss relating to the ineffective portion is recognised immediately in the income statement.

Gains or losses arising from changes in the fair value of derivatives which are not designated as part of a hedging relationship are presented in the income statement in the period in which they arise.

At the inception of a hedging transaction, the Group documents the economic relationship between hedging instruments and hedged items, as well as its risk management objectives and strategy for undertaking the hedging transaction. The Group also documents its assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in cash flows of hedged items.

When a hedging instrument expires or is sold, or when a hedge no longer meets the criteria for hedge accounting, any cumulative gain or loss existing in equity at that time remains in equity and is recognised when the forecast transaction is ultimately recognised in the income statement. When a forecast transaction is no longer expected to occur, the cumulative gain or loss that was reported in equity is immediately transferred to the income statement. In assessing whether a forecast transaction is no longer expected to occur, the Group considers a range of factors including Board-approved plans, market conditions and historical actions.

Amounts that have been recognised in other comprehensive income in respect of cash flow hedges are reclassified from equity to profit or loss as a reclassification adjustment in the same period or periods during which the hedged forecast cash flow affects profit or loss.

Finance lease receivables, trade receivables and other receivables

Finance lease receivables are recognised at an amount equal to the net investment in the lease and subsequently measured at amortised cost less provision for impairment.

Trade receivables and other receivables are initially recognised at fair value and subsequently measured at amortised cost less provision for impairment.

The Group applies the expected credit loss model to calculate any loss allowance for finance lease receivables, trade receivables and other receivables. For finance lease receivables, trade receivables and other receivables that result from transactions that are within the scope of IFRS 15 'Revenue from Contracts with Customers' or from transactions that are within the scope of IFRS 16 'Leases' the loss allowance is measured as the lifetime expected credit loss. As no trade or other receivables contain a significant financing component, for the remaining trade or other receivables the loss allowance is measured as the 12-month expected credit loss unless the credit risk has increased significantly since initial recognition, in which case the lifetime expected credit loss is used. Details of the methodologies used to calculate the expected credit loss for the different groupings of finance lease receivables, trade receivables and other receivables are given in note 25.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Financial instruments continued

Finance lease receivables, trade receivables and other receivables continued

The carrying amount of finance lease receivables, trade receivables and other receivables is reduced through the use of an allowance account, and the amount of the loss allowance is recognised in the income statement within other operating charges. The Group's policy is to write off finance lease receivables, trade receivables and other receivables when there is no reasonable expectation of recovery of the balance due. Indicators that there is no reasonable expectation of recovery depend on the type of debtor/customer and include a debt being over four months old, the failure of the debtor to engage in a repayment plan and the failure to recover any amounts through enforcement activity. Subsequent recoveries of amounts previously written off are credited against other operating charges in the income statement.

Other cash deposits

Cash held on deposit with banks with a maturity of more than three months at the date of acquisition is classified within other cash deposits.

Cash and cash equivalents

Cash and cash equivalents include cash in hand and deposits on call with banks. Any bank overdrafts are shown within borrowings in current liabilities. For the purpose of the cash flow statement, cash and cash equivalents are as defined above, net of outstanding bank overdrafts.

Borrowings

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

Preference shares are non-redeemable and are classified as liabilities. The dividends on these preference shares are recognised in the income statement as finance costs.

Borrowing costs are recognised as an expense in the period in which they are incurred, except for interest costs incurred on the financing of major projects, which are capitalised until the time that the projects are available for use.

Trade payables and other payables

Trade payables and other payables are recognised initially at fair value and subsequently measured at amortised cost using the effective interest method.

Employee benefits

Pension costs for the Group's defined benefit pension plan are determined by the Projected Unit Credit Method, with actuarial calculations being carried out at each period end date. Costs are recognised in the income statement within net operating expenses and net finance costs/income. The current service cost, past service cost and gains or losses arising from settlements are included within net operating expenses. The net interest on the net defined benefit asset/liability and the administrative expenses paid from plan assets are included within finance income or costs.

Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are recognised in full in the period in which they occur in the statement of comprehensive income. The return on plan assets, excluding amounts included in the net interest on the net defined benefit asset/liability, is also recognised in other comprehensive income.

The asset/liability recognised in the balance sheet for the defined benefit pension plan is the fair value of plan assets less the present value of the defined benefit obligation. Where the fair value of plan assets exceeds the present value of the defined benefit obligation, the Group recognises an asset at the lower of the fair value of plan assets less the present value of the defined benefit obligation, and the present value of any economic benefits available in the form of refunds from the plan. The surplus has been recognised on the basis there is no augmentation of benefits, and the Group is able to obtain a refund on the assumption of gradual settlement of the plan liabilities over time until the point that there are no members left. On this basis, any net surplus is recognised in full. The tax on the surplus has been recognised as a deferred tax liability on the basis that the surplus represents a taxable temporary difference, which will give rise to future taxable income when the underlying asset is recovered.

Should contributions payable under a minimum funding requirement not be available as a refund or reduction in future contributions after they are paid into the plan, a liability would be recognised to this extent when the obligation arose.

Pension costs for the Group's defined contribution pension plans are charged to the income statement in the period in which they arise.

Post-retirement medical benefits are accounted for in an identical way to the Group's defined benefit pension plan.

Key management personnel

Key management personnel are those who have authority and responsibility for planning, directing and controlling the activities of the Group. In the case of Marston's PLC, the key management personnel are the Directors of the Group and as such the Directors are related parties of the Group.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Current and deferred tax

The current tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the balance sheet date and is measured at the amount expected to be paid to, or recovered from, the tax authorities.

Deferred tax is provided in full, using the liability method, on all differences that have originated but not reversed by the balance sheet date, and which give rise to an obligation to pay more or less tax in the future. Differences are defined as the differences between the carrying value of assets and liabilities and their tax base.

Deferred tax assets are recognised to the extent that it is probable that future taxable profit will be available against which the assets can be utilised. Deferred tax is calculated using tax rates that are expected to apply when the related deferred tax asset is realised, or the deferred tax liability is settled.

Provisions

Provisions are recognised in the balance sheet when the Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

These provisions are measured at the present value of the expenditure expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation for which the estimates of future cash flows have not been adjusted.

Share-based payments

The fair value of share-based remuneration at the date of grant is calculated using the Black-Scholes option-pricing model and charged to the income statement on a straight-line basis over the vesting period of the award. The charge to the income statement takes account of the estimated number of shares that will vest.

Non-vesting conditions are considered when determining the fair value of the Group's share-based payments, and all cancellations of share-based payments, whether by the Group or by employees, are accounted for in an identical manner with any costs unrecognised at the date of cancellation being immediately accelerated.

Own shares

Own shares comprise treasury shares, and shares held on trust for employee share schemes, which are used for the issuing of shares to applicable employees. Own shares are recognised at cost as a deduction from shareholders' equity. Subsequent consideration received for the sale of such shares is also recognised in equity, with any difference between the sale proceeds and the original cost being taken to equity. No income or expense is recognised in the performance statements on own share transactions.

Dividends

Dividends proposed by the Board but unpaid at the period end are recognised in the financial statements when they have been approved by the shareholders. Interim dividends are recognised when paid.

Transactions and balance sheet items in a foreign currency

Transactions in a foreign currency are translated to sterling using the exchange rate at the date of the transaction. Monetary receivables and payables are remeasured at closing day rates at each balance sheet date. Exchange gains or losses that arise from such remeasurement and on settlement of the transaction are recognised in the income statement. Translation differences for non-monetary assets valued at fair value through profit or loss are reported as part of the fair value gain or loss. Gains or losses on disposal of non-monetary assets are recognised in the income statement.

Discontinued operations

A discontinued operation is a component of the Group's business that represents a separate major line of business or geographical area of operations that has been disposed of or is held for sale, or is a subsidiary acquired exclusively with a view to resale. Classification as a discontinued operation occurs upon disposal or when the operation meets the criteria to be classified as held for sale, if earlier. When an operation is classified as a discontinued operation, the results are presented separately in the consolidated financial statements and the comparative income statement is restated as if the operation had been discontinued from the start of the comparative period.

Key estimates and significant judgements

Under IFRS the Group is required to make estimates and assumptions that affect the application of policies and reported amounts. Estimates and judgements are continually evaluated and are based on historical experience and other factors including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ from these estimates. Further details are provided in the relevant accounting policy or detailed note to the financial statements.

The following are the critical judgements, apart from those involving estimates (which are dealt with separately below), that the Directors have made in the process of applying the Group's accounting policies and that have had the most significant effect on the amounts recognised in the financial statements in the current and prior periods:

Non-underlying¹ items

- Determination of items to be classified as non-underlying¹ (note 4).

Discontinued operations

- Determination of income from associates representing a separate major line of business resulting in the classification as a discontinued operation (note 8).

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Key estimates and significant judgements continued

The following estimates and assumptions have a significant risk of causing a material adjustment to the carrying amount of assets and liabilities:

Property, plant and equipment

- Valuation of effective freehold land and buildings (note 11).

Retirement benefits

- Actuarial assumptions in respect of the defined benefit pension plan, which include discount rates, rates of increase in pensions, inflation rates and life expectancies (note 15).

Financial instruments

- Valuation and accounting treatment of derivative financial instruments (note 25).

2 Segment reporting

The Group is considered to have one operating segment under IFRS 8 'Operating Segments' and therefore no disclosures are presented. This is in line with the reporting to the chief operating decision maker and the operational structure of the business. The measure of profit or loss reviewed by the chief operating decision maker is underlying¹ profit/(loss) before tax for the total of continuing and discontinued operations.

Geographical areas

All of the Group's revenue is generated in the UK. All of the Group's material assets are located in the UK.

3 Revenue and net operating expenses

Revenue	2025 £m	2024 £m
Sales from managed and pub partnership sites	871.9	864.6
Wholesale sales	19.9	26.2
Revenue from contracts with customers	891.8	890.8
Rental income	6.1	7.8
Total revenue	897.9	898.6

	2025 £m	2024 £m
Net operating expenses		
Change in stocks of finished goods	0.7	0.3
Own work capitalised	(1.3)	–
Other operating income	(8.2)	(4.4)
Raw materials and consumables	212.4	222.6
Depreciation of property, plant and equipment	40.3	40.0
Amortisation of intangible assets	4.9	5.3
Employee costs	202.5	209.6
Net impairment reversal of freehold and leasehold properties	(23.1)	(5.9)
Other operating charges	290.0	279.4
Net operating expenses	718.2	746.9

Other operating charges primarily relate to pub overheads, administration costs and expenditure in relation to pub partnership agreements.

The amounts included in the line items above which have been classified as non-underlying¹ are as follows:

	2025 £m	2024 £m
Employee costs	3.0	0.8
Net impairment reversal of freehold and leasehold properties	(23.1)	(5.9)
Other operating charges	0.3	0.6
	(19.8)	(4.5)

Fees payable to the Company's Auditor were as follows:

	2025 £m	2024 £m
RSM UK Audit LLP fees		
Fees payable to the Company's Auditor for the audit of the Company's annual accounts	0.4	0.5
Fees payable to the Company's Auditor for other services to the Group:		
The audit of the Company's subsidiaries	0.3	0.3
Audit-related assurance services	0.1	–
	0.8	0.8

Audit-related assurance services in respect of lender reporting amounted to £22,500 (2024: £22,500). Audit-related assurance services in respect of the interim review amounted to £95,000 (2024: £nil).

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

4 Non-underlying¹ items

	2025 £m	2024 £m
Non-underlying¹ operating items from continuing operations		
Net impairment reversal of freehold and leasehold properties and other operating charges	(22.9)	(5.7)
Reorganisation, restructuring and relocation costs and other operating charges	3.1	0.7
Duplication costs	–	0.5
	(19.8)	(4.5)
Non-underlying¹ non-operating items from continuing operations		
Interest rate swap movements	3.6	32.2
	3.6	32.2
Total non-underlying¹ items from continuing operations	(16.2)	27.7
Non-underlying¹ items from discontinued operations		
Non-underlying ¹ loss from associates	–	16.6
Impairment of associate	–	8.0
Loss on disposal of associate	–	11.9
	–	36.5
Total non-underlying¹ items	(16.2)	64.2

Net impairment reversal of freehold and leasehold properties and other operating charges

At 29 June 2025 the Group's effective freehold properties were revalued by independent chartered surveyors on an open market value basis. The Group also undertook an impairment review of its leasehold properties in the current and prior period.

The revaluation and impairment adjustments in respect of the above were recognised in the revaluation reserve or income statement as appropriate. The amount recognised in the income statement comprises:

	2025 £m	2024 £m
Impairment of property, plant and equipment (note 11)	30.7	37.4
Reversal of past impairment of property, plant and equipment (note 11)	(54.0)	(43.4)
Impairment of assets held for sale (note 19)	0.2	0.1
Valuation fees	0.2	0.2
	(22.9)	(5.7)

Reorganisation, restructuring and relocation costs and other operating charges

As previously reported during the interim results for the 26 weeks ended 29 March 2025, during the current period the Group commenced a programme to align and resource teams against the Group's strategic priorities and reduce cost for future resilience of the business. The costs identified as non-underlying in the current period are one-off headcount-related costs which are expected to be short-term in nature. The cost of implementing this programme in the current period was £3.1 million (2024: £nil), of which £2.0 million was incurred in the first half of the current period. This is a cash cost of which £2.5 million was paid in the current period and £0.6 million will be paid in the subsequent period. The cost has been recorded within non-underlying items in the income statement based on its significance, nature, expected infrequency and consistency with treatment of similar historical programmes.

During the prior period, the Group completed the implementation of an operational programme to simplify the business and drive efficiencies. The cost of this programme in the prior period was £0.7 million.

Interest rate swap movements

The Group's interest rate swaps are revalued to fair value at each balance sheet date. These fair value gains/losses have been recognised in the hedging reserve or the income statement as appropriate. Reclassifications within the income statement and/or with the hedging reserve have also been made as required.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

4 Non-underlying¹ items continued

Interest rate swap movements continued

	52 weeks to 27 September 2025			52 weeks to 28 September 2024		
	Hedging reserve £m	Underlying ¹ net finance costs £m	Non-underlying ¹ interest rate swap movements £m	Hedging reserve £m	Underlying ¹ net finance costs £m	Non-underlying ¹ interest rate swap movements £m
Interest rate swaps designated as part of a hedging relationship:						
Effective portion						
(Gain)/loss on change in fair value	(1.9)	–	–	2.8	–	–
Reclassification in respect of cash received	0.1	(0.1)	–	0.4	(0.4)	–
	(1.8)	(0.1)	–	3.2	(0.4)	–
Ineffective portion						
Loss on change in fair value	–	–	0.6	–	–	0.2
Reclassification in respect of cash paid	–	0.6	(0.6)	–	1.2	(1.2)
	–	0.6	–	–	1.2	(1.0)
Interest rate swaps not designated as part of a hedging relationship:						
(Gain)/loss on change in fair value	–	–	(3.1)	–	–	18.2
Reclassification in respect of cash paid/received	–	0.2	(0.2)	–	(7.0)	7.0
	–	0.2	(3.3)	–	(7.0)	25.2
Reclassification in respect of discontinued cash flow hedges	(6.9)	–	6.9	(8.0)	–	8.0
	(6.9)	–	6.9	(8.0)	–	8.0
Total interest rate swap movements	(8.7)	0.7	3.6	(4.8)	(6.2)	32.2

A loss of £0.6 million (2024: £0.2 million) on the ineffective portion of the fair value movement of interest rate swaps designated as part of a hedging relationship and a fair value gain of £3.1 million (2024: loss of £18.2 million) on interest rate swaps not designated as part of a hedging relationship have also been recognised within non-underlying¹ items in the income statement.

Cash paid of £0.6 million (2024: £1.2 million) in respect of interest rate swaps designated as part of a hedging relationship and cash paid of £0.2 million (2024: received of £7.0 million) in respect of interest rate swaps not designated as part of a hedging relationship were reclassified from non-underlying¹ items to underlying¹ net finance costs to ensure that underlying¹ net finance costs reflect the fixed rate paid on the associated debt.

Finally, £6.9 million (2024: £8.0 million) of the balance remaining in the hedging reserve in respect of discontinued cash flow hedges has been reclassified as charge to the income statement within non-underlying¹ items.

The treatment of the amounts as non-underlying¹ has been made based on their significance, nature and consistency with previous classification. Unless specified, the movements have no cash impact.

Prior period non-underlying¹ items

Duplication costs

On 17 November 2023 Andrew Andrea stepped down from his role as CEO of the Group and, following an external process, Justin Platt was appointed as CEO from 10 January 2024. During the prior period duplicated costs were incurred as a result of the change in CEO which were unusual and one-off for Marston's. The duplicated costs have been recorded within non-underlying¹ items in the income statement based on their nature and expected infrequency.

Non-underlying¹ loss from associates

The Group's associate, Carlsberg Marston's Limited, recognised an impairment (of which the Group's share was £14.0 million) during the prior period in relation to some of the ale brands that it held. The ale category had been severely impacted by the COVID-19 pandemic, secular trends, and the cost-of-living crisis, resulting in long-term expectations specifically for the ale brands being updated. The brand impairment of £14.0 million was material in the context of both the Group's total results and the underlying¹ loss from associates of £0.5 million. The resulting brand impairment, which had no cash impact, was recorded within non-underlying¹ items in the income statement based on its significance, nature and expected infrequency.

Carlsberg Marston's Limited also recognised an onerous contract provision (of which the Group's share was £2.6 million) during the prior period in relation to a specific portage contract that it held. The significant cost inflation experienced from the cost-of-living crisis, alongside the increases in distribution costs over and above what was reasonably anticipated, led to an acute and short-term (rather than business-as-usual) environment of cost inflation which required an onerous provision to be recorded for this specific contract. The onerous contract provision of £2.6 million was material in the context of the underlying¹ loss from associates of £0.5 million. The resulting onerous contract provision, which had no cash impact, was recorded within non-underlying¹ items in the income statement based on its significance, nature and expected infrequency.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

4 Non-underlying¹ items continued

Prior period non-underlying¹ items continued

Impairment of associate and loss on disposal of associate

On 31 July 2024, Marston's PLC completed the sale of its remaining non-core brewing assets, being its 40% interest in Carlsberg Marston's Limited (CMBC), to a subsidiary of Carlsberg A/S for £206.0 million in cash, to create a business entirely focused on pubs.

An impairment assessment over the carrying value of the Group's investment in CMBC was performed immediately prior to disposal on 31 July 2024. The result of the impairment assessment was an impairment to the carrying value of the Group's investment in CMBC of £8.0 million (note 12). The remaining difference between the newly impaired carrying value of the investment and the net disposal proceeds represented a loss on disposal of £11.9 million (note 12).

These costs were recorded within non-underlying items in the income statement based on their materiality, nature and expected infrequency.

Impact of taxation

The current tax credit relating to the above non-underlying¹ items amounts to £0.5 million (2024: £0.1 million). The deferred tax credit relating to the above non-underlying¹ items amounts to £1.1 million (2024: £12.0 million).

5 Employees

Employee costs	2025 £m	2024 £m
Wages and salaries	173.2	185.8
Social security costs	18.0	14.6
Pension costs	6.5	6.4
Share-based payments	1.8	2.0
Termination benefits	3.0	0.8
Employee costs for continuing operations	202.5	209.6

A non-underlying¹ charge of £3.0 million (2024: £0.8 million) is included in employee costs in the current period.

Average monthly number of employees	2025 Number	2024 Number
Bar staff	7,961	9,228
Management and administration	1,056	1,134

Key management personnel compensation	2025 £m	2024 £m
Short-term employee benefits	2.1	2.3
Share-based payments	0.2	0.6
Termination benefits	–	0.2
	2.3	3.1

Key management personnel have been defined as the Board of Marston's PLC, including the Executive Directors. Members of the Board are set out on pages 29 and 30 of the Annual Report and Accounts 2025. Details of remuneration for Directors, including the highest paid Director, are presented in the Annual Report on Remuneration on pages 47 to 53.

6 Finance costs and income

	2025 £m	2024 £m
Finance costs		
Bank borrowings	11.9	25.4
Securitised debt	34.8	35.3
Lease liabilities	19.0	19.2
Other lease related borrowings	23.3	22.9
Other interest payable and similar charges	1.0	3.7
Total finance costs	90.0	106.5
Finance income		
Finance lease and other interest receivable	(2.2)	(1.4)
Total finance income	(2.2)	(1.4)
Interest rate swap movements		
Hedge ineffectiveness on cash flow hedges (net of cash paid)	–	(1.0)
Change in carrying value of interest rate swaps	(3.3)	25.2
Transfer of hedging reserve balance in respect of discontinued hedges	6.9	8.0
	3.6	32.2
Net finance costs for continuing operations	91.4	137.3

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

7 Taxation

Income statement	2025 £m	2024 £m
Current tax		
Current period	6.7	4.6
Adjustments in respect of prior periods	0.2	–
Credit in respect of tax on non-underlying ¹ items	(0.5)	(0.1)
	6.4	4.5
Deferred tax		
Current period	12.4	5.2
Adjustments in respect of prior periods	(1.0)	(0.8)
Credit in respect of tax on non-underlying ¹ items	(1.1)	(12.0)
	10.3	(7.6)
Taxation charge/(credit) reported in the income statement from continuing operations	16.7	(3.1)
Statement of comprehensive income	2025 £m	2024 £m
Remeasurement of retirement benefits	0.4	(1.7)
Impairment and revaluation of properties	15.8	9.8
Hedging reserve movements	2.2	1.2
Taxation charge reported in the statement of comprehensive income	18.4	9.3

A taxation credit in relation to tax on share-based payments of £0.2 million (2024: £0.1 million) has been recognised directly in equity.

The actual tax rate for the period is lower (2024: lower) than the standard rate of corporation tax of 25% (2024: 25%). The differences are explained below:

Tax reconciliation	2025 £m	2024 £m
Profit before tax from continuing operations	88.3	14.4
Profit before tax multiplied by the corporation tax rate of 25% (2024: 25%)	22.1	3.6
Effect of:		
Adjustments in respect of prior periods	(0.8)	(0.8)
Recognition of capital losses not previously recognised	(5.4)	(5.4)
Non-qualifying depreciation	1.4	1.3
Property items taxed on a different basis to accounting entries	(0.2)	(1.1)
Costs not deductible for tax purposes	0.3	0.1
Other amounts on which tax relief is available	(0.7)	(0.8)
Taxation charge/(credit) for continuing operations	16.7	(3.1)

In December 2021, the Organisation for Economic Co-operation and Development (OECD) published the Pillar Two model rules to introduce a global minimum effective tax rate of 15%, under its Inclusive Framework on Base Erosion and Profit Shifting (BEPS).

UK legislation adopting the Pillar Two rules was substantively enacted on 20 June 2023 and will apply to the Group for the 52 weeks ended 27 September 2025 onwards.

Based on its assessment of the trading results, the Group anticipates that it will benefit from the transitional safe harbour rules and does not expect to pay any Pillar Two top-up tax in respect of the 52 weeks ended 27 September 2025.

The Group has applied the exemption under the IAS 12 'Income Taxes' amendment for recognising and disclosing information about deferred tax assets and liabilities relating to Pillar Two income taxes.

8 Discontinued operations

On 8 July 2024, the Group announced the sale of its remaining non-core brewing assets, with a binding agreement to sell the whole of its 40% interest in Carlsberg Marston's Limited to a subsidiary of Carlsberg A/S for £206.0 million in cash. The transaction subsequently completed on 31 July 2024.

The Directors considered that Carlsberg Marston's Limited constituted a separate major line of business that had been disposed of and as a result met the criteria to be classified as a discontinued operation.

Results of discontinued operations

	2025			2024		
	Underlying ¹ £m	Non-underlying ¹ (note 4) £m	Total £m	Underlying ¹ £m	Non-underlying ¹ (note 4) £m	Total £m
Revenue	–	–	–	–	–	–
Net operating expenses	–	–	–	–	–	–
Income/(loss) from associates	–	–	–	0.5	(16.6)	(16.1)
Operating profit/(loss)	–	–	–	0.5	(16.6)	(16.1)
Net finance costs	–	–	–	–	–	–
Profit/(loss) before taxation	–	–	–	0.5	(16.6)	(16.1)
Taxation	–	–	–	–	–	–
Profit/(loss) for the period after taxation	–	–	–	0.5	(16.6)	(16.1)
Impairment of investment in associate	–	–	–	–	(8.0)	(8.0)
Loss on disposal of associate	–	–	–	–	(11.9)	(11.9)
Profit/(loss) from discontinued operations	–	–	–	0.5	(36.5)	(36.0)

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

8 Discontinued operations continued

Results of discontinued operations continued

Non-underlying¹ operating items in the prior period relate to an impairment in relation to some of the ale brands and an onerous contract provision in relation to a specific portorage contract held by Carlsberg Marston's Limited.

A loss on disposal of £11.9 million arose on the disposal of Carlsberg Marston's Limited in the prior period, being the difference between the net disposal proceeds and the carrying amount of the investment in the associate of £214.5 million.

Cash flows from discontinued operations

	2025 £m	2024 £m
Net cash inflow from operating activities	–	13.8
Net cash (outflow)/inflow from investing activities	(2.8)	205.5
Net cash inflow from financing activities	–	–
Net (decrease)/increase in cash and cash equivalents	(2.8)	219.3

The net cash outflow in the current period of £2.8 million relates to professional fees associated with the disposal of the Group's 40% interest in Carlsberg Marston's Limited.

9 Earnings per ordinary share

Basic earnings/(loss) per share are calculated by dividing the profit/(loss) attributable to equity shareholders by the weighted average number of ordinary shares in issue during the period, excluding treasury shares and those held on trust for employee share schemes (note 29).

For diluted earnings/(loss) per share, the weighted average number of ordinary shares in issue is adjusted to assume conversion of all dilutive potential ordinary shares. These represent share options granted to employees where the exercise price is less than the weighted average market price of the Company's shares during the period.

Underlying¹ earnings per share figures are presented to exclude the effect of non-underlying¹ items. The Directors consider that the supplementary figures are a useful indicator of performance.

	2025		2024	
	Earnings £m	Per share amount p	Earnings £m	Per share amount p
Basic earnings/(loss) per share				
Total	71.6	11.3	(18.5)	(2.9)
Continuing	71.6	11.3	17.5	2.8
Discontinued	–	–	(36.0)	(5.7)
Diluted earnings/(loss) per share				
Total	71.6	11.1	(18.5)	(2.8)
Continuing	71.6	11.1	17.5	2.7
Discontinued	–	–	(36.0)	(5.5)
Underlying¹ earnings per share figures				
Basic underlying ¹ earnings per share				
Total	53.8	8.5	33.6	5.3
Continuing	53.8	8.5	33.1	5.2
Discontinued	–	–	0.5	0.1
Diluted underlying ¹ earnings per share				
Total	53.8	8.3	33.6	5.1
Continuing	53.8	8.3	33.1	5.0
Discontinued	–	–	0.5	0.1

	2025 m	2024 m
Basic weighted average number of shares	633.2	633.5
Dilutive potential ordinary shares	11.9	23.0
Diluted weighted average number of shares	645.1	656.5

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

10 Goodwill and other intangible assets

Goodwill

Goodwill of £201.7 million was fully impaired in prior accounting periods and had a net book amount of £nil as at 27 September 2025 and 28 September 2024.

Other intangible assets

	Computer software £m
Cost	
At 29 September 2024	51.6
Additions	2.5
Net transfers to assets held for sale and disposals	(3.5)
At 27 September 2025	50.6
Amortisation	
At 29 September 2024	22.3
Charge for the period	4.9
Net transfers to assets held for sale and disposals	(3.5)
At 27 September 2025	23.7
Net book amount at 28 September 2024	29.3
Net book amount at 27 September 2025	26.9
	Computer software £m
Cost	
At 1 October 2023	50.7
Additions	1.9
Net transfers to assets held for sale and disposals	(1.0)
At 28 September 2024	51.6
Amortisation	
At 1 October 2023	17.8
Charge for the period	5.3
Net transfers to assets held for sale and disposals	(0.8)
At 28 September 2024	22.3
Net book amount at 30 September 2023	32.9
Net book amount at 28 September 2024	29.3

11 Property, plant and equipment

	Effective freehold land and buildings £m	Leasehold land and buildings £m	Fixtures, fittings, tools and equipment £m	Total £m
Cost or valuation				
At 29 September 2024	1,661.7	430.0	276.1	2,367.8
Additions	31.5	14.2	19.0	64.7
Disposals	(2.7)	(5.3)	(21.9)	(29.9)
Revaluation	96.3	–	–	96.3
At 27 September 2025	1,786.8	438.9	273.2	2,498.9
Depreciation and impairment reversal				
At 29 September 2024	–	149.0	149.8	298.8
Charge for the period	–	14.2	26.1	40.3
Disposals	–	(2.0)	(21.3)	(23.3)
Impairment	–	1.8	–	1.8
At 27 September 2025	–	163.0	154.6	317.6
Net book amount at 28 September 2024	1,661.7	281.0	126.3	2,069.0
Net book amount at 27 September 2025	1,786.8	275.9	118.6	2,181.3

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

11 Property, plant and equipment continued

	Effective freehold land and buildings £m	Leasehold land and buildings £m	Fixtures, fittings, tools and equipment £m	Total £m
Cost or valuation				
At 1 October 2023	1,645.1	434.4	280.1	2,359.6
Additions	17.2	10.7	22.5	50.4
Disposals	(44.7)	(15.1)	(26.4)	(86.2)
Net transfers to assets held for sale	(1.2)	–	(0.1)	(1.3)
Revaluation	45.3	–	–	45.3
At 28 September 2024	1,661.7	430.0	276.1	2,367.8
Depreciation and impairment				
At 1 October 2023	–	147.6	147.2	294.8
Charge for the period	–	13.8	26.2	40.0
Disposals	–	(10.7)	(23.6)	(34.3)
Impairment	–	(1.7)	–	(1.7)
At 28 September 2024	–	149.0	149.8	298.8
Net book amount at 30 September 2023	1,645.1	286.8	132.9	2,064.8
Net book amount at 28 September 2024	1,661.7	281.0	126.3	2,069.0

The net book amount of land and buildings is split as follows:

	2025 £m	2024 £m
Freehold land and buildings	1,591.2	1,485.4
Leasehold land and buildings with a term greater than 100 years at acquisition/commencement	195.6	176.3
Leasehold land and buildings with a term less than 100 years at acquisition/commencement	275.9	281.0
	2,062.7	1,942.7

If the effective freehold land and buildings had not been revalued, the historical cost net book amount would be £1,193.6 million (2024: £1,138.9 million).

Cost at 27 September 2025 includes £1.2 million (2024: £1.8 million) of assets in the course of construction.

The net profit on disposal of property, plant and equipment, intangible assets and properties classified as held for sale was £0.6 million (2024: loss of £3.3 million).

Capital expenditure authorised and committed at the period end but not provided for in the financial statements was £2.7 million (2024: £1.0 million).

The net book amount of effective freehold land and buildings held as part of sale and leaseback arrangements that do not fall within the scope of IFRS 16 'Leases' was £297.9 million (2024: £267.7 million).

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

	2025			2024		
	Leased to tenants £m	Used by the Group £m	Total £m	Leased to tenants £m	Used by the Group £m	Total £m
Effective freehold land and buildings						
Cost or valuation	103.6	1,683.2	1,786.8	124.0	1,537.7	1,661.7
Depreciation	–	–	–	–	–	–
Net book amount	103.6	1,683.2	1,786.8	124.0	1,537.7	1,661.7
	2025			2024		
	Leased to tenants £m	Used by the Group £m	Total £m	Leased to tenants £m	Used by the Group £m	Total £m
Leasehold land and buildings						
Cost	20.6	418.3	438.9	19.7	410.3	430.0
Depreciation	(10.7)	(152.3)	(163.0)	(8.5)	(140.5)	(149.0)
Net book amount	9.9	266.0	275.9	11.2	269.8	281.0

The services provided to the tenants are considered to be significant to the arrangement as a whole such that the properties do not qualify as investment properties under IAS 40 'Investment Property'.

Revaluation/impairment

At 29 June 2025 independent chartered surveyors revalued the Group's effective freehold properties on an open market value basis. During the current and prior period various assets were also reviewed for impairment and/or material changes in value. These valuation adjustments were recognised in the revaluation reserve or the income statement as appropriate.

	2025 £m	2024 £m
Income statement		
Impairment	(30.7)	(37.4)
Reversal of past impairment	54.0	43.4
	23.3	6.0
Revaluation reserve		
Unrealised revaluation surplus	109.8	80.8
Reversal of past revaluation surplus	(38.6)	(39.8)
	71.2	41.0
Net increase in shareholders' equity/property, plant and equipment	94.5	47.0

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

11 Property, plant and equipment continued

Fair value of effective freehold land and buildings

IFRS 13 'Fair Value Measurement' requires fair value measurements to be recognised using a fair value hierarchy that reflects the significance of the inputs used in the measurements, according to the following levels:

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

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

The tables below show the level in the fair value hierarchy into which the fair value measurements of effective freehold land and buildings have been categorised:

	2025			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Recurring fair value measurements				
Effective freehold land and buildings	–	–	1,786.8	1,786.8

	2024			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Recurring fair value measurements				
Effective freehold land and buildings	–	–	1,661.7	1,661.7

There are two inputs to the fair value measurement of the public house assets, being the fair maintainable trade (an unobservable Level 3 input) and the multiple applied (an indirectly observable Level 2 input). It is considered that the unobservable Level 3 input for the fair maintainable trade is a significant input to the valuation and as such Level 3 is considered to be the most appropriate categorisation for these fair value measurements. There were no transfers between categories during the current or prior period.

The number of effective freehold properties that have been valued within each fair maintainable trade (FMT) band of income is as follows:

27 September 2025	Valuation multiple applied to FMT					Total
	≤ 8	8-9	9-10	10-11	> 11	
Number of pubs in each FMT band of income:						
< £100k p.a.	42	156	147	1	1	347
£100k – £200k p.a.	21	180	185	10	–	396
> £200k p.a.	1	82	233	41	–	357
	64	418	565	52	1	1,100

28 September 2024	Valuation multiple applied to FMT					Total
	≤ 8	8-9	9-10	10-11	> 11	
Number of pubs in each FMT band of income:						
< £100k p.a.	18	96	240	24	5	383
£100k – £200k p.a.	8	113	237	58	2	418
> £200k p.a.	–	27	160	119	1	307
	26	236	637	201	8	1,108

A reasonably possible increase of 10% in the multiple would increase the fair value by £186.1 million and a reasonably possible decrease of 10% in the multiple would decrease the fair value by £186.1 million. A reasonably possible increase of 10% in the fair maintainable trade would increase the fair value by £186.1 million and a reasonably possible decrease of 10% in the fair maintainable trade would decrease the fair value by £186.1 million. These are based on the top ends of observable multiples achieved in the market and historical movements in the average fair maintainable trade.

Fair maintainable trade is a measure of sustainable trading performance which focuses on medium to long term trends. Short term fluctuations in trading results may not be fully reflected in fair maintainable trade until they are demonstrated to be continuing in nature.

The Group's effective freehold land and buildings are revalued by external independent qualified valuers on an annual basis using open market values so that the carrying value of an asset does not differ significantly from its fair value at the balance sheet date. The annual valuations are determined via third party inspection of approximately a third of the sites, and a desktop valuation of the remaining two-thirds of the sites, such that all sites are individually inspected every three years. The last external valuation of the Group's effective freehold land and buildings was performed as at 29 June 2025. The Group has an internal team of qualified valuers and at each reporting date the estate is reviewed for any indication of significant changes in value. Where this is the case internal valuations are performed on a basis consistent with those performed externally. The Group has concluded that the valuation as at 29 June 2025 does not differ materially from that which would have been determined using fair value as at 27 September 2025.

Level 3 recurring fair value measurements	2025 £m	2024 £m
At beginning of the period	1,661.7	1,645.1
Additions	31.5	17.2
Disposals	(2.7)	(44.7)
Net transfers to assets held for sale	–	(1.2)
Revaluation gains and losses recognised in profit or loss	25.1	4.3
Revaluation gains and losses recognised in other comprehensive income	71.2	41.0
At end of the period	1,786.8	1,661.7

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

11 Property, plant and equipment continued

Fair value of effective freehold land and buildings continued

Revaluation gains and losses recognised in profit or loss in respect of Level 3 recurring fair value measurements are included within net operating expenses in the income statement and comprise net unrealised gains of £25.5 million (2024: £5.7 million) and net realised losses of £0.4 million (2024: £1.4 million).

Impairment testing of leasehold properties

Leasehold properties, comprising leasehold land and buildings and associated fixtures, fittings, tools and equipment and computer software, are held under the cost model. These properties were reviewed for impairment in the current and prior period by comparing the recoverable amount of each property to the carrying amount of the assets. Recoverable amount is the higher of value in use and fair value less costs to sell. The key assumptions used in the value in use calculations were the future trading cash flows of the properties, a pre-tax discount rate of 11.9% (2024: 12.2%) and a long-term growth rate of 2.0% (2024: 2.0%). No adjustment has been made in the current or prior period for any potential climate change related impact as the future potential additional cash inflows and outflows are not deemed to be a key assumption in the value in use calculations.

Changes in these key assumptions could impact the impairment charge/reversal recognised for these assets. The future trading cash flows used in the value in use calculations are property level EBITDA less maintenance expenditure forecasts. If the forecast cash flows were to decline by 10% then there would be a £1.5 million increase in the impairment recognised. If the pre-tax discount rate were to increase by 0.5% it would increase the impairment by £0.4 million. If the long-term growth rate were to decrease by 0.5% it would increase the impairment by £0.6 million.

Market capitalisation

Uncertainty during recent financial periods, including the cost-of-living crisis, short-term inflationary pressures and limited growth, has negatively impacted the Company's share price. This share price suppression has resulted in a gap between the Group's market capitalisation and asset values. The Group has performed an assessment to bridge the gap between the Group's market capitalisation and asset values and therefore to determine whether further impairment considerations are required in relation to the Group's material assets, property, plant and equipment. The assessment includes centrally held assets that do not generate independent cash flows. An enterprise value has been calculated to support the asset value of the Group. Additionally, the value in use was calculated which was based on a pre-tax discount rate of 9.8% (2024: 10.7%), cash flow projections from the Group's base case going concern forecast in the short-term, and a long-term growth rate of 2.0% (2024: 2.0%). No adjustment has been made in the current or prior period for any potential climate change related impact as the future potential additional cash inflows and outflows are not deemed to be a key assumption in the value in use calculations. The recoverable amount adopted in this assessment was the higher of the enterprise value and the value in use of the Group. This assessment indicated that there was sufficient headroom between

the asset values and the recoverable amount of the Group. No reasonably possible change in the assumptions used in this assessment would have resulted in a change to the Group's asset values. Sensitivities in the values of the Group's property, plant and equipment are disclosed above.

12 Interests in associates

On 8 July 2024, the Group announced the sale of its remaining non-core brewing assets, with a binding agreement to sell the whole of its 40% interest in Carlsberg Marston's Limited to a subsidiary of Carlsberg A/S for £206.0 million in cash. The transaction subsequently completed on 31 July 2024. Carlsberg Marston's Limited remains the sole supplier of drinks to the Group. The principal place of business of Carlsberg Marston's Limited is the UK.

The tables below summarise the financial information of Carlsberg Marston's Limited as included in its own financial statements for the period from 1 October 2023 to 31 July 2024, adjusting for differences in accounting policies.

	2024 £m
Non-current assets	287.9
Current assets	359.7
Current liabilities	(461.6)
Non-current liabilities	(137.7)
Net assets	48.3
Group's share of net assets (40%)	19.3
Goodwill	203.9
Elimination of unrealised profit on upstream sales	(0.7)
Carrying amount of interest in associates as at 31 July 2024	222.5

	2024 £m
Revenue	790.6
Loss from continuing operations	(39.9)
Other comprehensive expense	(0.3)
Total comprehensive expense	(40.2)
Group's share of loss from continuing operations (40%)	(16.0)
Elimination of unrealised profit on upstream sales	(0.1)
Loss from associates recognised in the income statement	(16.1)
Group's share of other comprehensive expense (40%)	(0.1)
Group's share of total comprehensive expense	(16.2)

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

12 Interests in associates continued

A reconciliation of the movement in the carrying amount of the interest in associates is as follows:

	£m
Carrying amount of interest in associates as at 1 October 2023	250.9
Loss from associates	(16.1)
Other comprehensive expense of associates	(0.1)
Changes in equity of associates	1.6
Dividends from associates	(13.8)
Carrying amount of interest in associates as at 31 July 2024 before impairment	222.5
Impairment of associates	(8.0)
Carrying amount of interest in associates as at 31 July 2024 prior to disposal	214.5

Impairment indicators in respect of the carrying value of the investment immediately prior to disposal were identified, which included the net disposal proceeds being less than the carrying value of the investment. Other circumstances considered that were key to the impairment assessment included:

- a further decline to cask ale volume projections from those considered in the impairment recognised in the results for the 26 weeks ended 30 March 2024;
- the long-term exclusive licensed production and distribution agreement between Mahou San Miguel and Carlsberg Marston's Limited ending on 31 December 2024 (announced 2 July 2024); and
- Carlsberg Marston's Limited's planned rationalisation of the UK brewery network resulting in the announcement of the closure of the Banks's brewery.

In the prior period the Group recognised an impairment to the carrying value of the investment immediately prior to disposal of £8.0 million. The amount of the impairment in this case was a judgemental matter due to the circumstances at hand, including inherent uncertainty over the future cash flows of Carlsberg Marston's Limited. The impairment was disclosed as a key source of estimation uncertainty.

The remaining difference between the newly impaired carrying value of the investment and the net disposal proceeds represented a loss on disposal of £11.9 million.

Details of related party transactions with Carlsberg Marston's Limited from 1 October 2023 to 31 July 2024 are as follows:

	2024 £m
Purchase of goods	(146.2)
Dividends from associate	13.8

Carlsberg Marston's Limited ceased to be a related party of the Group on 31 July 2024.

13 Other non-current assets

	2025 £m	2024 £m
Finance lease receivables	14.7	14.4

Further detail regarding the impairment of finance lease receivables is provided in note 25.

14 Subsidiary undertakings

Details of the Group's subsidiary undertakings are provided in note 6 to the Company financial statements.

15 Retirement benefits

During the period the Group contributed to a funded defined benefit pension plan and a number of defined contribution pension plans. These plans are considered to be related parties of the Group.

Defined contribution plans

Pension costs for defined contribution plans are as follows:

	2025 £m	2024 £m
Defined contribution plans	6.5	6.4

Defined benefit plan

The Marston's PLC Pension and Life Assurance Scheme is a final salary pension plan which provides benefits to members in the form of a guaranteed level of pension payable for life. The plan closed to future accrual on 30 September 2014 and the link to future salary increases was also removed.

The plan operates under the UK regulatory framework and is governed by a board of Trustees composed of plan participants and representatives of the Group. The Trustees make investment decisions and set the required contribution rates based on independent actuarial advice.

The key risks to which the plan exposes the Group are as follows:

Volatility of plan assets

Assets held by the plan are invested in a diversified portfolio of pooled investments, bonds and other assets. Volatility in asset values will lead to movements in the net defined benefit asset/liability reported in the balance sheet as well as movements in the net interest on the net defined benefit asset/liability reported in the income statement.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

15 Retirement benefits continued

Defined benefit plan continued

Changes in bond yields

Corporate bond yields are used to determine the plan's defined benefit obligation. Lower yields will lead to an increased defined benefit obligation. Increases in the defined benefit obligation will be partly offset by an increase in the value of government and corporate bonds held by the plan.

Inflation risk

A large proportion of the plan's obligations are linked to inflation. Higher inflation will lead to an increased defined benefit obligation. Increases in the defined benefit obligation will be partly offset by an increase in inflation-linked assets held by the plan.

Changes in life expectancy

An increase in the life expectancy of members will result in benefits being paid out for longer, leading to an increase in the defined benefit obligation.

The movements in the fair value of plan assets and the present value of the defined benefit obligation during the period were:

	Fair value of plan assets		Present value of defined benefit obligation		Net surplus	
	2025 £m	2024 £m	2025 £m	2024 £m	2025 £m	2024 £m
At beginning of the period	362.2	344.7	(349.1)	(331.8)	13.1	12.9
Interest income/(expense)	17.7	19.0	(17.0)	(18.1)	0.7	0.9
Remeasurements:						
Return on plan assets (excluding interest income)	(28.2)	12.0	–	–	(28.2)	12.0
Effect of changes in financial assumptions	–	–	30.8	(20.3)	30.8	(20.3)
Effect of changes in demographic assumptions	–	–	1.2	1.0	1.2	1.0
Effect of experience adjustments	–	–	(2.3)	0.5	(2.3)	0.5
Cash flows:						
Employer contributions	1.6	7.5	–	–	1.6	7.5
Administrative expenses paid from plan assets	(1.5)	(1.4)	–	–	(1.5)	(1.4)
Benefits paid	(25.9)	(19.6)	25.9	19.6	–	–
At end of the period	325.9	362.2	(310.5)	(349.1)	15.4	13.1

Pension costs recognised in the income statement

A credit of £0.7 million (2024: £0.9 million) comprising the net interest on the net defined benefit asset/liability is included within finance costs and a charge of £1.5 million (2024: £1.4 million) comprising the administrative expenses paid from plan assets is included within finance costs.

Recognition of net defined benefit asset

The Group has the ability to recognise a pension surplus from the defined benefit pension plan (measured under IAS 19 'Employee Benefits') in the current period as the Scheme Rules provide the Group with an unconditional right to a refund of a surplus once the last benefit has been paid to the last scheme member.

It is considered that contributions payable under a minimum funding requirement would be available as a refund. As such where the fair value of plan assets exceeds the present value of the defined benefit obligation, the Group recognises an asset at the fair value of plan assets less the present value of the defined benefit obligation.

Pension costs are assessed in accordance with the advice of independent, professionally qualified actuaries. An updated actuarial valuation of the plan was performed by Mercer as at 27 September 2025 for the purposes of IAS 19. The principal assumptions made by the actuaries were:

	2025	2024
Discount rate	5.9%	5.0%
Rate of increase in pensions – 5% LPI	2.8%	2.9%
Rate of increase in pensions – 2.5% LPI	1.9%	2.0%
Inflation assumption (RPI)	2.9%	3.1%
Inflation assumption (CPI)	2.5%	2.5%
Employed deferred revaluation	2.5%	2.5%
Life expectancy for deferred members from age 65 (years)		
Male	22.6	22.4
Female	25.1	25.0
Life expectancy for current non-insured pensioners from age 65 (years)		
Male	20.6	20.4
Female	23.1	23.1
Life expectancy for current insured pensioners from age 65 (years)		
Male	21.4	21.3
Female	23.5	23.5

The Marston's PLC Pension and Life Assurance Scheme uses Liability Driven Investment strategies (LDIs) which use a combination of gilts, cash and derivatives to hedge long-term interest and inflation risks.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

15 Retirement benefits continued

Recognition of net defined benefit asset continued

The sensitivity of the defined benefit obligation to changes in the principal actuarial assumptions is:

	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	0.50%	Decrease obligation by 4.8%	Increase obligation by 5.2%
Inflation assumption	0.25%	Increase obligation by 1.1%	Decrease obligation by 1.1%
Life expectancy	1 year	Increase obligation by 3.1%	Decrease obligation by 3.1%

The above sensitivity analyses have been determined by changing one assumption while holding all other assumptions constant. The calculations are approximate in nature and full detailed calculations could lead to a different result. In practice, interrelationships exist between the assumptions, particularly between the discount rate and price inflation. The stand-alone sensitivity analyses noted above do not consider the effect of these interrelationships. Any movements in obligations arising from assumption changes are likely to be accompanied by movements in asset values, and so the impact on the net defined benefit asset/liability may be different to the impact on the obligation calculated by the sensitivity analyses.

When calculating the above sensitivities the same method has been applied as when calculating the net defined benefit asset/liability in the balance sheet i.e., the present value of the defined benefit obligation calculated using the Projected Unit Credit Method.

Plan assets	2025 £m	2024 £m
Bonds/gilts	135.8	149.7
Cash/pooled investments	47.0	52.4
Buy-in policies (matching annuities)	143.1	160.1
	325.9	362.2

The Group's balance sheet date of 27 September 2025 is a Saturday and, accordingly, the fair values of plan assets have been calculated as at 26 September 2025. There were no significant transactions between the respective reporting dates.

The plan holds £158.9 million (2024: £175.7 million) of quoted assets in the nature of bonds, gilts and pooled investments which are traded in active markets primarily with BlackRock and Insight. The plan also holds £23.9 million (2024: £26.4 million) of unquoted assets in the nature of cash, bonds, gilts and pooled investments with M&G and Ruffer which are valued using inputs that reflect the assumptions that market participants would use in pricing the asset based on market data from independent sources.

The plan includes qualifying insurance policies which are valued using the Group's own assessment of the assumptions market participants would use in pricing the asset, based on the best information available. None of the insurance providers are related parties of the Group. The proceeds of the policies can only be used to pay or fund employee benefits of the Scheme, are not available to the Group's creditors and cannot be paid to the Group.

The Scheme assets do not include any property, plant or equipment occupied by, or used by, the Group.

The actual return on plan assets was a loss of £10.5 million (2024: gain of £31.0 million). A proportion of the defined benefit obligation has been secured by buy-in policies and as such this proportion of liabilities is matched by annuities. The Trustees of the plan hold a range of assets and are aiming to better align the cash flows from these to those of the plan. They are also working with the Group to de-risk their portfolio further.

A schedule of contributions was agreed as part of the 30 September 2023 triennial valuation and contributions of £0.5 million per month were payable until 30 September 2024 when the plan's funding deficit was expected to be eliminated. Contributions are also payable in respect of the plan's expenses. The next triennial valuation will be performed as at 30 September 2026.

The employer contributions expected to be paid during the financial period ending 26 September 2026 amount to £1.6 million.

The weighted average duration of the defined benefit obligation is 10 years (2024: 11 years).

The Group is aware that the Court of Appeal has recently upheld the decision in the Virgin Media vs NTL Pension Trustees II Limited case. The decision puts into question the validity of any amendments made in respect of the rules of a contracted-out pension scheme between 6 April 1997 and 5 April 2016. The judgement means that some historical amendments affecting s.9(2B) rights could be void if the necessary actuarial confirmation under s.37 of the Pension Schemes Act 1993 was not obtained.

More recently, in June 2025, the Government announced its intention to introduce legislation to give affected pension schemes the ability to retrospectively obtain written actuarial confirmation that historical benefit changes met the necessary standards. Draft legislation has been put forward in Government amendments to the Pension Schemes Bill, but this is still subject to change, and the Bill will not be enacted until at least spring 2026.

Until further investigations have been completed by the Trustees and/or any legislative action has been taken by the government, the potential impact, if any, on the valuation of the plan's defined benefit obligation remains unknown.

Post-retirement medical benefits

A loss of £nil (2024: £0.1 million) in respect of the remeasurement of post-retirement medical benefits has been included in the statement of comprehensive income.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

16 Derivative financial instruments

	2025 £m	2024 £m
Interest rate swaps		
Non-current assets	0.7	0.4
Non-current liabilities	(54.6)	(59.4)
	(53.9)	(59.0)

Details of the Group's interest rate swaps are provided in note 25.

17 Inventories

	2025 £m	2024 £m
Raw materials and consumables	4.2	4.1
Finished goods	9.6	10.3
	13.8	14.4

18 Trade and other receivables

	2025 £m	2024 £m
Trade receivables	12.0	12.2
Prepayments and accrued income	13.0	8.9
Finance lease receivables	1.2	1.5
Other receivables	1.4	3.3
	27.6	25.9

Further detail regarding the impairment of trade receivables, finance lease receivables and other receivables is provided in note 25. All of the Group's trade receivables are denominated in pounds sterling.

At 27 September 2025 the value of collateral held in the form of cash deposits was £5.4 million (2024: £5.5 million).

19 Assets held for sale

	2025 £m	2024 £m
Properties	–	1.3

In accordance with IFRS 5 'Non-current Assets Held for Sale and Discontinued Operations', properties categorised as held for sale have been written down to their fair value less costs to sell if this was below their carrying amount. This is a non-recurring fair value measurement falling within Level 2 of the fair value hierarchy. These Level 2 fair values have been obtained using a market approach and are derived from sales prices in recent transactions involving comparable properties.

During the current and prior period, all properties classified as held for sale were reviewed for impairment or reversal of past impairment. This review identified an impairment of £0.2 million (2024: £0.1 million) which has been recognised in the income statement.

20 Borrowings

	2025 £m	2024 £m
Current		
Bank borrowings	(1.8)	(2.5)
Securitised debt	45.9	43.5
Lease liabilities	18.6	17.7
Other lease related borrowings	(0.5)	(0.5)
	62.2	58.2
Non-current		
Bank borrowings	19.5	33.0
Securitised debt	470.8	516.7
Lease liabilities	349.6	356.0
Other lease related borrowings	339.4	338.9
Preference shares	0.1	0.1
	1,179.4	1,244.7

Bank borrowings are secured by a floating charge over certain of the Group's properties and other assets.

Other lease related borrowings represent amounts due under sale and leaseback arrangements that do not fall within the scope of IFRS 16 'Leases'. The Group has an option to repurchase each leased property for a nominal amount at the end of the lease. The leases have terms of 35 to 40 years and rents which are linked to RPI, subject to a cap and collar.

The Group has 75,000 (2024: 75,000) preference shares of £1 each in issue at the balance sheet date. The preference shares carry the right to a fixed cumulative preferential dividend at the rate of 6% per annum (they are also entitled to a non-cumulative dividend of 1% per annum provided that dividends of not less than £24,000 have been paid on the ordinary shares in that year). They participate in the event of a winding-up and on a return of capital and carry the right to attend and vote at general meetings of the Company, carrying four votes per share.

All of the Group's borrowings are denominated in pounds sterling. There were no instances of default, including covenant terms, in the current or prior period.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

20 Borrowings continued

Maturity of borrowings

The maturity profile of the carrying amount of the Group's borrowings at the period end was as follows:

Due:	2025			2024		
	Gross borrowings £m	Unamortised issue costs £m	Net borrowings £m	Gross borrowings £m	Unamortised issue costs £m	Net borrowings £m
Within one year	64.9	(2.7)	62.2	61.6	(3.4)	58.2
In more than one year but less than two years	81.2	(2.4)	78.8	92.2	(2.9)	89.3
In more than two years but less than five years	198.8	(2.6)	196.2	189.4	(2.6)	186.8
In more than five years	924.6	(20.2)	904.4	989.6	(21.0)	968.6
	1,269.5	(27.9)	1,241.6	1,332.8	(29.9)	1,302.9

Fair value of borrowings

The carrying amount of the Group's borrowings are as follows:

	Carrying amount	
	2025 £m	2024 £m
Bank borrowings	21.0	35.0
Securitised debt	518.5	562.3
Lease liabilities	368.2	373.7
Other lease related borrowings	361.7	361.7
Preference shares	0.1	0.1
	1,269.5	1,332.8

The fair value of the Group's securitised debt of £485.6 million (2024: £502.9 million) is based on quoted market prices and is within Level 1 of the fair value hierarchy. The fair values of all of the Group's other borrowings are considered to approximate to their carrying amounts and are within Level 2 of the fair value hierarchy. However, the Group acknowledges that market conditions and credit risk in relation to the other lease related borrowings may have changed since inception.

During the current period the Group successfully secured the extension of its bank facility, which was due to expire in July 2026. The revised funding comprises a £200.0 million bank facility available until July 2027.

The Group's sources of funding also include a £5.0 million seasonal overdraft facility.

21 Securitised debt

On 9 August 2005 £805.0 million of secured loan notes were issued in connection with the securitisation of 1,592 of the Group's pubs held in Marston's Pubs Limited. On 22 November 2007, a further £330.0 million of secured loan notes (tranches A4 and AB1) were issued in connection with the securitisation of an additional 437 of the Group's pubs, also held in Marston's Pubs Limited. The loan notes are secured over the properties and their future income streams and were issued by Marston's Issuer PLC, a special purpose entity. On 15 January 2014 all of the AB1 notes were repurchased by the Group at par and immediately cancelled.

The carrying value of the securitised pubs at 27 September 2025 was £1,218.1 million (2024: £1,155.2 million).

The securitisation is governed by various covenants, warranties and events of default, many of which apply to Marston's Pubs Limited. These include covenants regarding the maintenance and disposal of securitised properties and restrictions on the ability to move cash to other companies within the Group.

The tranches of securitised debt have the following principal terms:

Tranche	2025 £m	2024 £m	Interest	Principal repayment period – by instalments	Expected average life	Expected maturity date
A2	68.3	99.5	Fixed/floating	2025 to 2027	2 years	2027
A3	200.0	200.0	Fixed/floating	2027 to 2032	7 years	2032
A4	95.2	107.8	Floating	2025 to 2031	6 years	2031
B	155.0	155.0	Fixed/floating	2032 to 2035	10 years	2035
	518.5	562.3				

The interest payable on each tranche is as follows:

Tranche	Before step up	After step up	Step up date
A2	5.1576%	SONIA + 0.1193% + 1.32%	July 2019
A3	5.1774%	SONIA + 0.1193% + 1.45%	April 2027
A4	3-month LIBOR + 0.65%	SONIA + 0.1193% + 1.625%	October 2012
B	5.6410%	SONIA + 0.1193% + 2.55%	July 2019

All floating rate notes are economically hedged in full by the Group using interest rate swaps whereby all interest payments are swapped to fixed interest payable.

At 27 September 2025 Marston's Pubs Limited held cash of £21.4 million (2024: £33.6 million), which was governed by certain restrictions under the covenants associated with the securitisation. In addition, Marston's Issuer PLC held cash of £0.4 million (2024: £0.4 million).

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

22 Trade and other payables

	2025 £m	2024 £m
Trade payables	74.9	65.0
Other taxes and social security	27.1	29.3
Accruals and deferred income	66.8	72.0
Other payables	13.3	13.2
	182.1	179.5

23 Provisions for other liabilities and charges

Property leases	2025 £m	2024 £m
At beginning of the period	3.2	4.0
Released in the period	(0.5)	(0.4)
Provided in the period	0.4	0.8
Unwinding of discount	0.1	0.1
Utilised in the period	(0.1)	(1.3)
At end of the period	3.1	3.2

Recognised in the balance sheet	2025 £m	2024 £m
Current liabilities	0.6	0.6
Non-current liabilities	2.5	2.6
	3.1	3.2

The Group recognises provisions in relation to its property leases, in particular onerous leases and dilapidations. Payments are expected to continue for periods of 1 to 44 years (2024: 1 to 45 years). There is not considered to be any significant uncertainty regarding the amount and timing of these cash flows.

24 Other non-current liabilities

	2025 £m	2024 £m
IFRS 9 interest accrual (relating to other lease related borrowings)	8.6	7.4
Other liabilities	0.8	0.9
	9.4	8.3

25 Financial instruments

Financial instruments by category

	Assets at fair value through profit or loss £m	Assets at amortised cost £m	Total £m
At 27 September 2025			
Assets as per the balance sheet			
Derivative financial instruments	0.7	-	0.7
Finance lease receivables (before provision)	-	17.3	17.3
Trade receivables (before provision)	-	12.4	12.4
Other receivables (before provision)	-	2.3	2.3
Other cash deposits	-	1.1	1.1
Cash and cash equivalents	-	34.8	34.8
	0.7	67.9	68.6

	Liabilities at fair value through profit or loss £m	Other financial liabilities £m	Total £m
At 27 September 2025			
Liabilities as per the balance sheet			
Derivative financial instruments	54.6	-	54.6
Borrowings	-	1,241.6	1,241.6
Trade payables	-	74.9	74.9
Other payables	-	13.3	13.3
	54.6	1,329.8	1,384.4

	Assets at fair value through profit or loss £m	Assets at amortised cost £m	Total £m
At 28 September 2024			
Assets as per the balance sheet			
Derivative financial instruments	0.4	-	0.4
Finance lease receivables (before provision)	-	17.3	17.3
Trade receivables (before provision)	-	12.5	12.5
Other receivables (before provision)	-	4.1	4.1
Other cash deposits	-	1.1	1.1
Cash and cash equivalents	-	44.4	44.4
	0.4	79.4	79.8

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

25 Financial instruments continued

Financial instruments by category continued

	Derivatives used for hedging £m	Liabilities at fair value through profit or loss £m	Other financial liabilities £m	Total £m
At 28 September 2024				
Liabilities as per the balance sheet				
Derivative financial instruments	7.6	51.8	–	59.4
Borrowings	–	–	1,302.9	1,302.9
Trade payables	–	–	65.0	65.0
Other payables	–	–	13.2	13.2
	7.6	51.8	1,381.1	1,440.5

Fair values of financial instruments

The only financial instruments which the Group holds at fair value are derivative financial instruments, which are classified as at fair value through profit or loss or derivatives used for hedging.

IFRS 13 'Fair Value Measurement' requires fair value measurements to be recognised using a fair value hierarchy that reflects the significance of the inputs used in the measurements, according to the following levels:

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

Level 2 – inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.

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

The tables below show the level in the fair value hierarchy into which fair value measurements have been categorised:

	2025			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Assets as per the balance sheet				
Derivative financial instruments	–	0.7	–	0.7
	2025			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Liabilities as per the balance sheet				
Derivative financial instruments	–	54.6	–	54.6

	2024			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Assets as per the balance sheet				
Derivative financial instruments	–	0.4	–	0.4
	2024			
	Level 1 £m	Level 2 £m	Level 3 £m	Total £m
Liabilities as per the balance sheet				
Derivative financial instruments	–	59.4	–	59.4

There were no transfers between Levels 1, 2 and 3 fair value measurements during the current or prior period.

The Level 2 fair values of derivative financial instruments have been obtained using a market approach and reflect the estimated amount the Group would expect to pay or receive on termination of the instruments, adjusted for the Group's own credit risk. The Group utilises valuations from counterparties which use a variety of assumptions based on market conditions existing at each balance sheet date. The fair values are highly sensitive to the inputs to the valuations, such as discount rates, analysis of credit risk and yield curves.

The fair values of all the Group's other financial instruments are equal to their book values, with the exception of borrowings (note 20). The carrying amount less impairment provision of finance lease receivables, trade receivables and other receivables, and the carrying amount of other cash deposits, cash and cash equivalents, trade payables and other payables are assumed to approximate their fair values.

Financial risk factors

The Group's activities expose it to a variety of financial risks: market risk (including interest rate risk and foreign currency risk), counterparty risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is carried out by a central treasury department under policies approved by the Board. The treasury department identifies, evaluates and hedges financial risks. The Board sets principles for overall risk management, as well as policies covering specific areas, such as interest rate risk, credit risk, investment of excess liquidity and use of derivative and non-derivative financial instruments.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

25 Financial instruments continued

Financial risk factors continued

Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates, and as such the Group's interest rate risk arises from its borrowings. Borrowings issued at variable rates expose the Group to cash flow interest rate risk. Borrowings issued at fixed rates expose the Group to fair value interest rate risk.

The Group analyses its interest rate exposure on a dynamic basis. Various scenarios are simulated taking into consideration refinancing, renewal of existing positions, alternative financing and hedging. Based on these scenarios, the Group calculates the impact on the income statement of a defined interest rate shift. The scenarios are run only for liabilities that represent the major interest-bearing positions.

The Group manages its cash flow interest rate risk by using floating-to-fixed interest rate swaps. Such interest rate swaps have the economic effect of converting borrowings from floating rates to fixed rates. Generally, the Group raises borrowings at floating rates and will often swap them into fixed rates that are lower than those available if the Group borrowed at fixed rates directly. Under the interest rate swaps, the Group agrees with other parties to exchange, at specified intervals, the difference between fixed contract and floating rate interest amounts calculated by reference to the agreed notional amounts.

If interest rates had been 0.5% higher/lower during the period ended 27 September 2025, with all other variables held constant, the post-tax profit/loss for the period would have been £nil (2024: £0.4 million) lower/higher (2024: higher/lower) as a result of higher/lower interest expense.

Interest rate swaps designated as part of a hedging relationship

The Group uses interest rate swaps to fix the interest rate payable on the floating rate tranches of its securitised debt. The interest rate swap in respect of the A4 tranche of securitised debt was designated as part of a hedging relationship at the end of the prior period.

This interest rate swap had the same critical terms as the associated securitised debt including reset dates, payment dates, maturities and notional amounts (note 21). The economic relationship between the forecast floating rate interest payments and the interest rate swap was determined and assessed through quantitative hedge effectiveness calculations performed at each reporting date, and upon a significant change in the circumstances affecting the hedge effectiveness requirements. As the interest rate swap had a notional amount profile the same as that of the principal amount profile of the securitised debt on which the floating rate interest was paid the hedge ratio is 1:1. Sources of ineffectiveness that might affect the hedging relationship were the Group's own credit risk, changes in the timing and amount of the interest payments and the recouping of the swap from a single fixed rate to a stepped profile.

The fixed rate of this interest rate swap at 28 September 2024 was 6.0%.

Interest rate swaps designated as part of a hedging relationship	2025 £m	2024 £m
Carrying amount of hedging instruments (included within derivative financial instruments)	–	7.6
Change in fair value of hedging instruments used as the basis for recognising hedge ineffectiveness in the period	(1.3)	3.0
Nominal amount of hedging instruments	–	107.8
Change in fair value of hedged items used as the basis for recognising hedge ineffectiveness in the period	1.9	(2.8)
Hedging reserve balance in respect of continuing hedges	–	(3.4)
Hedging reserve balance in respect of discontinued hedges	(34.3)	(37.4)
Hedging gains/(losses) recognised in other comprehensive income	1.9	(2.8)
Hedge ineffectiveness losses recognised in profit or loss	(0.6)	(0.2)
Amount reclassified from the hedging reserve to profit or loss in respect of continuing hedges	(0.1)	(0.4)
Amount reclassified from the hedging reserve to profit or loss in respect of discontinued hedges	6.9	8.0
Hedging reserve	2025 £m	2024 £m
At beginning of the period	(40.8)	(44.4)
Hedging gains/(losses) recognised in other comprehensive income	1.9	(2.8)
Amount reclassified from the hedging reserve to profit or loss	6.8	7.6
Deferred tax on hedging reserve movements	(2.2)	(1.2)
At end of the period	(34.3)	(40.8)

Interest rate swaps not designated as part of a hedging relationship

On 27 March 2019 the Group recouped the interest rate swap that fixes the interest rate payable on the floating rate elements of its A2, A3 and B securitised notes. As a result, the hedging relationship between this interest rate swap and the associated debt ceased to meet the qualifying criteria for hedge accounting.

During the current period, the Group discontinued hedge accounting for the interest rate swap that fixes the interest rate payable on the floating rate elements of its A4 securitised notes as the hedging relationship between this interest rate swap and the associated debt ceased to meet the qualifying criteria for hedge accounting. The discontinuation does not affect the underlying contractual terms of the swap, which remain in place.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

25 Financial instruments continued

Financial risk factors continued

Interest rate swaps not designated as part of a hedging relationship continued

For both interest rate swaps which ceased to meet the qualifying criteria for hedge accounting, the cumulative hedging losses at the discontinuance dates remain in equity and are being recognised when the forecast transactions are ultimately recognised in the income statement. IFRS 9 'Financial Instruments' would require these balances to be reclassified to the income statement if the forecast transactions were no longer expected to occur. There is currently no requirement to reclassify the balance to the income statement though this position continues to be monitored. Fair value movements in respect of the interest rate swaps after the discontinuance dates are being recognised within the income statement.

The Group also has an interest rate swap of £60.0 million which fixes the interest rate payable on the Group's bank borrowings.

The interest rate risk profile, after taking account of derivative financial instruments, is as follows:

	2025			2024		
	Floating rate financial liabilities £m	Fixed rate financial liabilities £m	Total £m	Floating rate financial liabilities £m	Fixed rate financial liabilities £m	Total £m
Borrowings	361.7	907.8	1,269.5	361.7	971.1	1,332.8

The weighted average interest rate of the fixed rate borrowings was 5.9% (2024: 6.0%) and the weighted average period for which the rate is fixed was 14 years (2024: 14 years).

Foreign currency risk

The Group buys goods denominated in non-sterling currencies, principally US dollars and euros. As a result, movements in exchange rates can affect the value of the Group's income and expenditure. The Group's exposure in this area is not considered to be significant.

Counterparty risk

The Group's counterparty risk in respect of its cash and cash equivalents and other cash deposits is mitigated by the use of various banking institutions for its deposits. There is no significant concentration of counterparty risk in respect of the Group's pension assets, as these are held with a range of institutions.

Credit risk

Credit risk is managed on a Group basis. Credit risk arises from credit exposure to customers, including outstanding receivables and committed transactions. If customers are independently rated, these ratings are used. Otherwise, if there is no independent rating, an assessment is made of the credit quality of the customer, taking into account its financial position, past experience and other factors. Individual credit limits are set based on internal or external ratings in accordance with limits set by the Board. The utilisation of and adherence to credit limits is regularly monitored.

The financial assets of the Group which are subject to the expected credit loss model under IFRS 9 'Financial Instruments' comprise finance lease receivables, trade receivables and other receivables. Other cash deposits and cash and cash equivalents are also subject to the impairment requirements of IFRS 9; however, the impairment loss is immaterial.

Finance lease receivables, trade receivables and other receivables have been grouped as set out below for the purpose of calculating the expected credit losses:

	Gross		Loss allowance	
	2025 £m	2024 £m	2025 £m	2024 £m
Finance lease receivables				
Net investment in the lease	17.3	17.3	1.4	1.4
	17.3	17.3	1.4	1.4
Trade receivables				
Amounts due from current pub tenants	1.5	1.8	0.1	0.1
Miscellaneous trade receivables	10.9	10.7	0.3	0.2
	12.4	12.5	0.4	0.3
Other receivables				
Amounts due from previous pub tenants	0.8	0.6	0.8	0.6
Amounts due from other property tenants	0.3	0.2	0.1	0.1
Miscellaneous other receivables	1.2	3.3	–	0.1
	2.3	4.1	0.9	0.8
	32.0	33.9	2.7	2.5

Expected credit losses have been calculated as follows:

	Gross		Loss allowance	
	2025 £m	2024 £m	2025 £m	2024 £m
12-month expected credit losses	1.2	3.3	–	0.1
Lifetime expected credit losses for trade and lease receivables	30.8	30.6	2.7	2.4
	32.0	33.9	2.7	2.5

Finance lease receivables

Finance lease receivables are lease receivables that result from transactions that are within the scope of IFRS 16 'Leases' and the loss allowance is calculated as the lifetime expected credit losses. For tenants where it is considered that there is a significant risk of default the expected credit losses are calculated on an individual basis taking into account the circumstances involved. For all other tenants, after accounting for collateral held in the form of cash deposits and the value of the leased asset itself, the remaining balance due is low and as such the expected credit losses are minimal.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

25 Financial instruments continued

Financial risk factors continued

Amounts due from pub tenants

Amounts due from current pub tenants result almost entirely from transactions that are within the scope of IFRS 15 'Revenue from Contracts with Customers' or are lease receivables that result from transactions that are within the scope of IFRS 16, and as such the loss allowance is calculated as the lifetime expected credit losses. After accounting for collateral held in the form of cash deposits the remaining balance due is low and as such the expected credit losses are minimal.

Amounts due from previous pub tenants predominantly result from transactions that are within the scope of IFRS 15 or are lease receivables that result from transactions that are within the scope of IFRS 16 and as such the loss allowance is calculated as the lifetime expected credit losses. The historical loss rate on closed accounts, adjusted to reflect current and forward-looking information regarding macroeconomic factors affecting customers' ability to pay, such as the cost-of-living crisis, is used to measure the expected credit losses on these receivables.

Miscellaneous trade receivables

Miscellaneous trade receivables result almost entirely from transactions that are within the scope of IFRS 15 and as such the loss allowance is calculated as the lifetime expected credit losses. Due to the very low credit risk on the majority of these receivables the expected credit losses are minimal.

Amounts due from other property tenants

Amounts due from other property tenants are almost entirely lease receivables that result from transactions that are within the scope of IFRS 16 and as such the loss allowance is calculated as the lifetime expected credit losses. For tenants where it is considered that there is a significant risk of default the expected credit losses are calculated on an individual basis taking into account the circumstances involved. For all other tenants, after accounting for collateral held in the form of cash deposits, the remaining balance due is low and as such the expected credit losses are minimal.

Miscellaneous other receivables

Miscellaneous other receivables do not generally result from transactions that are within the scope of IFRS 15 and do not comprise lease receivables resulting from transactions that are within the scope of IFRS 16. These receivables are considered to have low credit risk and as such the loss allowance is calculated as the 12-month expected credit losses. Receivables are considered to have low credit risk where there is a low risk of default and it is expected that the debtor will be able to meet its payment obligations in the near future.

The movements in the loss allowances for finance lease receivables, trade receivables and other receivables are as follows:

	2025 £m	2024 £m
Finance lease receivables		
At beginning of the period	1.4	2.1
Net increase/(decrease) in loss allowance recognised in profit or loss	0.4	(0.5)
Amounts written off as uncollectible	(0.4)	(0.2)
At end of the period	1.4	1.4

	2025 £m	2024 £m
Trade receivables		
At beginning of the period	0.3	0.5
Net increase/(decrease) in loss allowance recognised in profit or loss	0.1	(0.1)
Amounts written off as uncollectible	–	(0.1)
At end of the period	0.4	0.3

	12-month expected credit losses		Lifetime expected credit losses	
	2025 £m	2024 £m	2025 £m	2024 £m
Other receivables				
At beginning of the period	0.1	0.1	0.7	1.0
Net (decrease)/increase in loss allowance recognised in profit or loss	(0.1)	–	0.2	–
Amounts written off as uncollectible	–	–	–	(0.3)
At end of the period	–	0.1	0.9	0.7

The Group has no significant concentration of credit risk in respect of its customers. The maximum exposure to credit risk at the reporting date is the carrying value of each class of receivable.

Liquidity risk

The Group applies a prudent liquidity risk management policy, which involves maintaining sufficient cash, ensuring the availability of funding through an adequate amount of committed credit facilities and having the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group maintains the availability of committed credit lines to ensure that it has flexibility in funding.

Management monitors rolling forecasts of the Group's liquidity reserve (comprising undrawn borrowing facilities and cash and cash equivalents) on the basis of expected cash flow. In addition, the Group's liquidity management policy involves maintaining debt financing plans, projecting cash flows and considering the level of liquid assets necessary to meet these, and monitoring balance sheet liquidity ratios against internal and external regulatory requirements. The Group's borrowing covenants are subject to regular review.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

25 Financial instruments continued

Financial risk factors continued

Liquidity risk continued

The tables below analyse the Group's financial liabilities and non-settled derivative financial instruments into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the tables are the contractual undiscounted cash flows.

	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m	Total £m
At 27 September 2025					
Borrowings	142.8	149.6	381.7	1,615.5	2,289.6
Derivative financial instruments	3.6	4.2	11.2	66.8	85.8
Trade payables	74.9	–	–	–	74.9
Other payables	13.3	–	–	–	13.3
	234.6	153.8	392.9	1,682.3	2,463.6

	Less than 1 year £m	Between 1 and 2 years £m	Between 2 and 5 years £m	Over 5 years £m	Total £m
At 28 September 2024					
Borrowings	145.4	163.3	374.0	1,722.4	2,405.1
Derivative financial instruments	1.4	5.1	17.1	76.1	99.7
Trade payables	65.0	–	–	–	65.0
Other payables	13.2	–	–	–	13.2
	225.0	168.4	391.1	1,798.5	2,583.0

26 Deferred tax

Deferred tax is calculated on temporary differences between tax bases of assets and liabilities and their carrying amounts under the liability method using a tax rate of 25% (2024: 25%). The movement on the deferred tax accounts is shown below:

	2025 £m	2024 £m
Net deferred tax liability/(asset)		
At beginning of the period	2.4	(0.9)
Charged/(credited) to the income statement – continuing operations	10.3	(7.6)
Charged/(credited) to equity:		
Impairment and revaluation of properties	15.8	9.8
Hedging reserve	2.2	1.2
Retirement benefits	0.4	–
Share-based payments	(0.2)	(0.1)
At end of the period	30.9	2.4

	2025 £m	2024 £m
Recognised in the balance sheet		
Deferred tax liabilities (after offsetting)	30.9	2.4
	30.9	2.4

The movements in deferred tax assets and liabilities (prior to the offsetting of balances within the same jurisdiction as permitted by IAS 12 'Income Taxes') during the period are shown below. Deferred tax assets and liabilities are only offset where there is a legally enforceable right of offset and there is an intention to settle the balances net.

	Pensions £m	Accelerated capital allowances £m	Revaluation of properties £m	Rolled over capital gains £m	IFRS 16 £m	Total £m
Deferred tax liabilities						
At 29 September 2024	3.3	51.7	66.0	3.2	59.7	183.9
Charged/(credited) to the income statement	0.2	6.1	5.9	0.2	(2.4)	10.0
Charged/(credited) to equity	0.4	–	16.0	–	(0.2)	16.2
At 27 September 2025	3.9	57.8	87.9	3.4	57.1	210.1

	Tax losses £m	Interest rate swaps £m	Other £m	IFRS 16 £m	Total £m
Deferred tax assets					
At 29 September 2024	(62.0)	(14.3)	(31.8)	(73.4)	(181.5)
Charged/(credited) to the income statement	0.1	(0.9)	(0.4)	1.5	0.3
Charged/(credited) to equity	–	2.2	(0.2)	–	2.0
At 27 September 2025	(61.9)	(13.0)	(32.4)	(71.9)	(179.2)

Net deferred tax liability

At 28 September 2024	2.4
At 27 September 2025	30.9

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

26 Deferred tax continued

	Pensions £m	Accelerated capital allowances £m	Revaluation of properties £m	Rolled over capital gains £m	IFRS 16 £m	Total £m
Deferred tax liabilities						
At 1 October 2023	3.2	48.9	55.6	4.4	61.3	173.4
Charged/(credited) to the income statement	0.1	2.8	0.4	(1.2)	(1.4)	0.7
Charged/(credited) to equity	–	–	10.0	–	(0.2)	9.8
At 28 September 2024	3.3	51.7	66.0	3.2	59.7	183.9
		Tax losses £m	Interest rate swaps £m	Other £m	IFRS 16 £m	Total £m
Deferred tax assets						
At 1 October 2023		(62.3)	(7.4)	(30.0)	(74.6)	(174.3)
Charged/(credited) to the income statement		0.3	(8.1)	(1.7)	1.2	(8.3)
Charged/(credited) to equity		–	1.2	(0.1)	–	1.1
At 28 September 2024		(62.0)	(14.3)	(31.8)	(73.4)	(181.5)
Net deferred tax (asset)/liability						
At 30 September 2023						(0.9)
At 28 September 2024						2.4

Deferred tax assets have been recognised in respect of all tax losses and other temporary differences where it is probable that these assets will be recovered.

Other deferred tax assets amounting to £30.6 million (2024: £30.3 million) relate to Corporate Interest Restriction.

The amount of the net deferred tax asset in respect of trading losses recognised, based on the utilisation against future taxable profits, is £14.8 million (2024: £32.9 million).

Determining the recoverability of the deferred tax asset in respect of trading items requires judgements to be made about the future profitability of the Group. The Group generated significant tax losses in prior periods due to the impact of COVID-19 on its business operations, including enforced pub closures and restrictions on trading. The base case forecast from the going concern assessment set out in note 1 was used to forecast future taxable profits and allowing for a range of reasonably possible outcomes it is estimated that the deferred tax asset in respect of trading items will be recovered within a period of five years. As such it has been recognised in full.

A deferred tax asset has not been recognised in respect of deductible temporary differences relating to capital losses of £nil (2024: £20.2 million) due to uncertainty over its future recoverability. Unused capital losses are available indefinitely.

27 Share-based payments

During the period there were three classes of equity-settled employee share incentive plans outstanding:

- Save As You Earn (SAYE). Under this scheme employees enter into a savings contract for a period of three years and options are granted on commencement of the contract, exercisable using the amount saved under the contract at the time it terminates. Options under the scheme are granted at a discount to the average quoted market price of the Company's shares at the time of the invitation and are not subject to performance conditions. Exercise of options is subject to continued employment.
- Deferred bonus. Under this scheme nil-cost options are granted to eligible employees in lieu of a cash bonus. Exercise of options is subject to a period of continued employment and required no later than the tenth anniversary of the date of grant.
- Long Term Incentive Plan (LTIP). Under this scheme nil-cost options are granted that will only vest provided the participant satisfies the minimum shareholding requirement and performance conditions relating to earnings per share, cash flow, return on capital, profit before tax, operating margin and relative total shareholder return are met. LTIP options are exercisable no later than the tenth anniversary of the date of grant.

The tables below summarise the outstanding share options:

	Number of shares		Weighted average exercise price	
	2025 m	2024 m	2025 p	2024 p
SAYE				
Outstanding at beginning of the period	13.5	12.7	29.0	29.6
Granted	3.4	4.2	33.0	29.0
Exercised	(0.5)	–	26.1	–
Expired	(3.3)	(3.4)	30.3	31.2
Outstanding at end of the period	13.1	13.5	29.9	29.0
Exercisable at end of the period	1.1	–	44.0	–
Range of exercise prices	26.0p to 44.0p	26.0p to 44.0p		
Weighted average remaining contractual life (years)	2.0	2.6		
	Number of shares		Weighted average exercise price	
	2025 m	2024 m	2025 p	2024 p
Deferred bonus				
Outstanding at beginning of the period	0.1	0.3	–	–
Exercised	(0.1)	(0.2)	–	–
Outstanding at end of the period	–	0.1	–	–
Exercisable at end of the period	–	0.1	–	–

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

27 Share-based payments continued

	Number of shares		Weighted average exercise price	
	2025 m	2024 m	2025 p	2024 p
LTIP				
Outstanding at beginning of the period	26.7	16.9	–	–
Granted	9.7	12.9	–	–
Exercised	(0.7)	(0.1)	–	–
Expired	(3.9)	(3.0)	–	–
Outstanding at end of the period	31.8	26.7	–	–
Exercisable at end of the period	0.1	–	–	–

The fair values of the SAYE, deferred bonus and LTIP rights are calculated at the date of grant using the Black-Scholes option-pricing model. The significant inputs into the model for all schemes unless otherwise stated were:

	2025	2024
Dividend yield %	0.0 to 7.2	2.3 to 6.3
Expected volatility %	39.4 to 44.4	38.0 to 42.6
Risk-free interest rate %	3.8 to 4.1	4.1 to 4.3
Share price on fair value date (pence)	42.0 to 43.1	29.3 to 30.2
Expected life of rights		
SAYE	3 years	3 years
Deferred bonus	N/A	N/A
LTIP	3 to 5 years	3 to 5 years

The expected volatility is based on historical volatility over the expected life of the rights.

The fair value of options granted during the current period in relation to the SAYE was 11.3p (2024: 4.0p). No options were granted in the current period or prior period in relation to the deferred bonus scheme. The weighted average fair value of options granted during the period in relation to the LTIP was 32.5p (2024: 25.9p).

The weighted average share price for options exercised over the period was 40.1p (2024: 37.5p). The total charge for the period relating to employee share-based payment plans was £1.8 million (2024: £2.0 million), all of which related to equity-settled share-based payment transactions. After tax, the total charge was £1.4 million (2024: £1.5 million).

28 Equity share capital

	2025		2024	
	Number m	Value £m	Number m	Value £m
Allotted, called up and fully paid				
Ordinary shares of 7.375p each:				
At beginning and end of the period	660.4	48.7	660.4	48.7

29 Other components of equity

The capital redemption reserve of £6.8 million (2024: £6.8 million) arose on share buybacks.

Own shares represent the carrying value of the investment in treasury shares and shares held on trust for employee share schemes (including executive share option schemes) as set out in the table below. The Trustees of the schemes are Banks's Brewery Insurance Limited, a wholly owned subsidiary of Marston's PLC, and Computershare Trustees (C.I.) Limited.

	2025		2024	
	Number m	Value £m	Number m	Value £m
Shares held on trust for employee share schemes	1.5	0.7	0.4	0.5
Treasury shares	25.7	107.6	26.2	109.7
	27.2	108.3	26.6	110.2

The market value of own shares held is £10.7 million (2024: £11.4 million). Shares held on trust for employee share schemes represent 0.2% (2024: 0.1%) of issued share capital. Treasury shares held represent 3.9% (2024: 4.0%) of issued share capital. Dividends on own shares have been waived.

The Group considers its capital to comprise total equity (as disclosed on the face of the Group balance sheet) and net debt (note 30). In managing its capital the primary objectives are to ensure that the Group is able to continue to operate as a going concern and to maximise return to shareholders through a combination of capital growth and distributions. The Group seeks to maintain a ratio of debt to equity that both balances risks and returns at an acceptable level and retains sufficient funds to comply with lending covenants, achieve working capital targets and meet investment requirements. The Board reviews the Group's dividend policy and funding requirements at least once a year.

Own shares held

Own shares held by the Group represent the shares in the Company held by the Employee Benefit Trust (EBT).

During the period, the EBT acquired 1,853,159 shares at a cost of £754,703 (2024: nil shares at a cost of £nil). The EBT released/transferred 806,184 (2024: 204,089) shares to employees on the exercise of options for a total consideration of £nil (2024: £nil).

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

30 Net debt

	2025 £m	2024 £m
Analysis of net debt		
Cash and cash equivalents		
Cash at bank and in hand	34.8	44.4
	34.8	44.4
Financial assets		
Other cash deposits	1.1	1.1
	1.1	1.1
Debt due within one year		
Bank borrowings	1.8	2.5
Securitised debt	(45.9)	(43.5)
Lease liabilities	(18.6)	(17.7)
Other lease related borrowings	0.5	0.5
	(62.2)	(58.2)
Debt due after one year		
Bank borrowings	(19.5)	(33.0)
Securitised debt	(470.8)	(516.7)
Lease liabilities	(349.6)	(356.0)
Other lease related borrowings	(339.4)	(338.9)
Preference shares	(0.1)	(0.1)
	(1,179.4)	(1,244.7)
Net debt	(1,205.7)	(1,257.4)

Other cash deposits and cash and cash equivalents include deposits securing letters of credit for reinsurance contracts (note 33). Included within cash and cash equivalents is an amount of £5.4 million (2024: £5.5 million) relating to collateral held in the form of cash deposits. These amounts are both considered to be restricted cash. In addition, any other cash held in connection with the securitised business is governed by certain restrictions under the covenants associated with the securitisation (note 21).

	2025 £m	2024 £m
Reconciliation of net cash flow to movement in net debt		
(Decrease)/increase in cash and cash equivalents in the period	(9.6)	17.9
Decrease in other cash deposits	–	(2.0)
Cash outflow from movement in debt	66.4	293.9
Net cash inflow	56.8	309.8
Non-cash movements and deferred issue costs	(5.1)	(1.4)
Movement in net debt in the period	51.7	308.4
Net debt at beginning of the period	(1,257.4)	(1,565.8)
Net debt at end of the period	(1,205.7)	(1,257.4)

	2025 £m	2024 £m
Net debt excluding lease liabilities	(837.5)	(883.7)
Lease liabilities	(368.2)	(373.7)
Net debt	(1,205.7)	(1,257.4)

Changes in liabilities arising from financing activities are as follows:

	2025			2024 (restated)		
	Borrowings £m	Derivative financial instruments £m	Total financing liabilities £m	Borrowings £m	Derivative financial instruments £m	Total financing liabilities £m
At beginning of the period	(1,302.9)	(59.0)	(1,361.9)	(1,595.4)	(33.6)	(1,629.0)
Cash flow	152.3	0.7	153.0	402.0	(4.2)	397.8
Changes in fair value	–	4.4	4.4	–	(21.2)	(21.2)
Other changes	(91.0)	–	(91.0)	(109.5)	–	(109.5)
At end of the period	(1,241.6)	(53.9)	(1,295.5)	(1,302.9)	(59.0)	(1,361.9)

Comparative information has been restated to include changes in liabilities arising from interest on financing activities, in addition to principal movements.

31 Working capital and non-cash movements

	2025 £m	2024 £m
Working capital movement		
Decrease in inventories	0.6	0.5
(Increase)/decrease in trade and other receivables	(3.8)	0.8
Increase in trade and other payables	6.2	6.9
	3.0	8.2

	2025 £m	2024 £m
Non-cash movements		
Movements in respect of property, plant and equipment, assets held for sale and intangible assets	(23.7)	(2.6)
Impairment of associates	–	8.0
Loss on disposal of associates	–	11.9
Loss from associates	–	16.1
Non-cash movements in respect of leases	0.4	(2.7)
Share-based payments	1.8	2.0
	(21.5)	32.7

Further details of movements in respect of intangible assets, property, plant and equipment and assets held for sale are given in notes 10, 11 and 19.

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

32 Leases

The Group as lessee

The Group leases a number of its properties. Right-of-use assets in respect of leasehold land and buildings with a term exceeding 100 years at acquisition/commencement of the lease or where there is an option to purchase the freehold at the end of the lease term for a nominal amount are classed as effective freehold land and buildings within property, plant and equipment. Right-of-use assets in respect of any other leasehold land and buildings are classed as leasehold land and buildings within property, plant and equipment. The Group's property leases have various terms, escalation clauses and renewal rights. A number of the leases include variable payments that depend on changes in RPI, often subject to a cap and collar.

The Group also leases certain items of fixtures, fittings, tools and equipment. These are generally held under leases with terms of five years or less and in some cases contain an option to purchase the asset for a nominal amount at the end of the lease.

	2025 £m	2024 £m
Depreciation charge for right-of-use assets		
Leasehold land and buildings	11.5	11.3
Fixtures, fittings, tools and equipment	–	0.2
	11.5	11.5

	2025 £m	2024 £m
Carrying amount of right-of-use assets		
Effective freehold land and buildings	130.2	118.4
Leasehold land and buildings	227.9	238.6
Fixtures, fittings, tools and equipment	–	0.1
	358.1	357.1

	2025 £m	2024 £m
Interest expense on lease liabilities	19.0	19.2
Expenses relating to short-term leases	0.7	0.7
Variable lease payments	0.2	0.2
Income from subleasing right-of-use assets	1.1	1.1
Total cash outflow for leases	30.3	30.2
Additions to right-of-use assets	7.0	7.7

The table below analyses the Group's lease liabilities into relevant maturity groupings based on the remaining period at the balance sheet date to the contractual maturity date. The amounts disclosed in the table are the contractual undiscounted cash flows.

	2025 £m	2024 £m
Less than one year	37.1	36.5
Between one and two years	29.3	29.2
Between two and five years	86.0	86.2
Over five years	524.7	544.5
	677.1	696.4

The Group as lessor

The Group leases a proportion of its licensed estate and other unlicensed properties to tenants. The majority of lease agreements have terms of 20 years or less. For leases where the Group is the intermediate lessor certain subleases are classified as finance leases as the classification is determined by reference to the right-of-use asset arising from the head lease rather than the underlying asset. All other leases are classified as operating leases from a lessor perspective.

Amounts recognised in the income statement are as follows:

	2025 £m	2024 £m
Finance income on the net investment in the lease	0.8	0.8
Lease income for operating leases	6.4	8.0

The maturity analysis of the undiscounted lease payments to be received for finance leases is as follows:

	2025 £m	2024 £m
Finance leases		
Within one year	3.5	3.7
In more than one year but less than two years	2.1	2.3
In more than two years but less than three years	2.0	2.1
In more than three years but less than four years	2.0	2.1
In more than four years but less than five years	2.0	2.1
In more than five years	12.6	10.3
	24.2	22.6
Unearned finance income	(6.9)	(5.3)
Net investment in the lease	17.3	17.3

Notes to the Group financial statements continued

For the 52 weeks ended 27 September 2025

32 Leases continued

The Group as lessor continued

The maturity analysis of the undiscounted lease payments to be received for operating leases is as follows:

Operating leases	2025 £m	2024 £m
Within one year	5.5	5.8
In more than one year but less than two years	4.3	4.7
In more than two years but less than three years	3.7	3.6
In more than three years but less than four years	2.8	3.1
In more than four years but less than five years	1.9	2.2
In more than five years	7.6	8.4
	25.8	27.8

33 Contingent liabilities and financial commitments

The Group has issued letters of credit totalling £3.7 million (2024: £3.7 million) to secure reinsurance contracts, of which some of these letters of credit are secured on fixed deposits (note 30).

The Group has also entered into a Deed of Guarantee with the Trustees of the Marston's PLC Pension and Life Assurance Scheme (the 'Scheme') whereby it guarantees to the Trustees the ongoing obligations of the Group to contribute to the Scheme, and the obligations of the Group to contribute to the Scheme in the event of a debt becoming due under section 75 of the Pensions Act 1995 on the occurrence of either a Group company entering liquidation or the Scheme winding up.

34 Ordinary dividends on equity shares

No dividends were paid during the current or prior period. A final dividend for 2025 has not been proposed.

Company balance sheet

As at 27 September 2025

	Note	27 September 2025 £m	28 September 2024 £m
Fixed assets			
Tangible assets	5	212.7	200.5
Investments	6	268.0	266.2
		480.7	466.7
Current assets			
Debtors			
Amounts falling due within one year	7	256.0	256.6
Amounts falling due after more than one year	7	790.4	747.6
Cash at bank		4.7	2.2
		1,051.1	1,006.4
Creditors Amounts falling due within one year	8	(576.2)	(667.3)
Net current assets		474.9	339.1
Total assets less current liabilities		955.6	805.8
Creditors Amounts falling due after more than one year	8	(113.4)	(114.5)
Provisions for liabilities	9	(3.6)	(5.6)
Net assets		838.6	685.7
Capital and reserves			
Equity share capital	13	48.7	48.7
Share premium account	14	334.0	334.0
Revaluation reserve	14	28.8	25.0
Capital redemption reserve	14	6.8	6.8
Own shares	14	(108.3)	(110.2)
Profit and loss reserves		528.6	381.4
Total equity		838.6	685.7

The profit of the Company for the 52 weeks ended 27 September 2025 was £148.0 million (2024: £5.5 million). The profit of the Company included dividend receipts from subsidiaries of £143.3 million (2024: £nil).

The financial statements were approved by the Board and authorised for issue on 25 November 2025 and are signed on its behalf by:

Justin Platt

Chief Executive Officer

25 November 2025

Company registration number: 31461

Company statement of changes in equity

For the 52 weeks ended 27 September 2025

	Equity share capital £m	Share premium account £m	Revaluation reserve £m	Capital redemption reserve £m	Own shares £m	Profit and loss reserves £m	Total equity £m
At 1 October 2023	48.7	334.0	21.6	6.8	(110.6)	374.1	674.6
Profit for the period	–	–	–	–	–	5.5	5.5
Revaluation of properties	–	–	4.2	–	–	–	4.2
Deferred tax on properties	–	–	(0.6)	–	–	–	(0.6)
Total comprehensive income	–	–	3.6	–	–	5.5	9.1
Share-based payments	–	–	–	–	–	2.0	2.0
Sale of own shares	–	–	–	–	0.4	(0.4)	–
Transfer to profit and loss reserves	–	–	(0.2)	–	–	0.2	–
Total transactions with owners	–	–	(0.2)	–	0.4	1.8	2.0
At 28 September 2024	48.7	334.0	25.0	6.8	(110.2)	381.4	685.7
Profit for the period	–	–	–	–	–	148.0	148.0
Revaluation of properties	–	–	3.9	–	–	–	3.9
Deferred tax on properties	–	–	(0.1)	–	–	–	(0.1)
Total comprehensive income	–	–	3.8	–	–	148.0	151.8
Share-based payments	–	–	–	–	–	1.8	1.8
Purchase of own shares	–	–	–	–	(0.8)	–	(0.8)
Sale of own shares	–	–	–	–	2.7	(2.6)	0.1
Total transactions with owners	–	–	–	–	1.9	(0.8)	1.1
At 27 September 2025	48.7	334.0	28.8	6.8	(108.3)	528.6	838.6

Notes to the Company financial statements

For the 52 weeks ended 27 September 2025

1 Accounting policies

The Company's principal accounting policies are set out below:

Company information

Marston's PLC is a public company limited by shares incorporated in England and Wales and domiciled in the UK. The registered office is St Johns House, St Johns Square, Wolverhampton, WV2 4BH.

Basis of preparation

These financial statements have been prepared in accordance with FRS 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (FRS 102) and the requirements of the Companies Act 2006.

The financial statements are prepared in sterling, which is the functional currency of the Company. Monetary amounts in these financial statements are rounded to the nearest £0.1 million.

The financial statements have been prepared under the historical cost convention modified to include the revaluation of effective freehold land and buildings.

The Company is a qualifying entity for the purposes of FRS 102, as it prepares publicly available consolidated financial statements, which are intended to give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group. The Company has therefore taken advantage of the exemptions from the following disclosure requirements in FRS 102:

- Section 7 'Statement of Cash Flows' – Presentation of a statement of cash flows and related notes and disclosures;
- Section 11 'Basic Financial Instruments' – Interest income/expense and net gains/losses for each category of financial instrument not measured at fair value through profit or loss, impairment losses for each class of financial asset and information that enables users to evaluate the significance of financial instruments;
- Section 26 'Share-based Payment' – Reconciliation of the opening and closing number and weighted average exercise price of share options, how the fair value of options granted was measured, and an explanation of modifications to arrangements; and
- Section 33 'Related Party Disclosures' – Compensation for key management personnel.

These financial statements present information about the Company as an individual entity and not about its Group.

As permitted by section 408(3) of the Companies Act 2006, no profit and loss account has been presented for the Company.

The Directors continue to adopt the going concern basis of accounting in preparing the financial statements. Details of the going concern assessment performed by the Group are provided in note 1 to the Group financial statements.

Turnover

Turnover represents rent receivable, which is recognised over time and in the period to which it relates.

Current and deferred tax

The tax currently payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the accounts because it excludes items of income or expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Company's liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax liabilities are generally recognised for all timing differences and deferred tax assets are recognised to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits. Such assets and liabilities are not recognised if the timing difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

The carrying amount of deferred tax assets is reviewed at each reporting end date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered. Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset is realised. Deferred tax is charged or credited to profit or loss, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Company has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

Fixed assets

- Land and buildings which are either freehold or are in substance freehold assets are classed as effective freehold land and buildings. This includes leasehold land and buildings with a term exceeding 100 years at acquisition/commencement of the lease or where there is an option to purchase the freehold at the end of the lease term for a nominal amount. All other leasehold land and buildings are classed as leasehold land and buildings.
- Effective freehold land and buildings are initially stated at cost and subsequently at valuation. Leasehold land and buildings and fixtures, fittings, plant and equipment are stated at cost.
- Depreciation is charged to the profit and loss account on a straight-line basis to provide for the cost or valuation of the assets less their residual values over their useful lives.

Notes to the Company financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Fixed assets continued

- Land and buildings are depreciated to their residual values over the lower of the lease term (where applicable) and 50 years.
- Fixtures, fittings, plant and equipment are depreciated over seven years.
- Interest costs directly attributable to capital projects are capitalised.

Residual values and useful lives are reviewed and adjusted if appropriate at each balance sheet date. The Company's effective freehold land and buildings in respect of its pub estate are considered to have a residual value equal to their current valuation and as such no depreciation is charged on these assets.

Effective freehold land and buildings are revalued by qualified valuers on an annual basis using open market values so that the carrying value of an asset does not differ significantly from its fair value at the balance sheet date. The annual valuations are determined via third party inspection of approximately a third of the sites such that all sites are individually inspected every three years. Substantially all of the Company's effective freehold land and buildings have been valued by a third party in accordance with the Royal Institution of Chartered Surveyors' Red Book. These valuations are performed directly by reference to observable prices in an active market or recent market transactions on arm's length terms for determined multiples and unobservable market data for fair maintainable trade. Internal valuations are performed on the same basis.

When a valuation is below current carrying value, the asset concerned is reviewed for impairment. Impairment losses are charged to the revaluation reserve to the extent that a previous gain has been recorded, and thereafter to the profit and loss account. Surpluses on revaluation are recognised in the revaluation reserve, except to the extent they reverse previously charged impairment losses, in which case the reversal is recorded in the profit and loss account.

Disposals of fixed assets

Profit/loss on disposal of fixed assets represents net sale proceeds less the carrying value of the assets. Any element of the revaluation reserve relating to the fixed assets disposed of is transferred to profit and loss reserves at the date of sale.

Financial instruments

The Company has elected to apply the provisions of Section 11 'Basic Financial Instruments' and Section 12 'Other Financial Instruments Issues' of FRS 102 to all of its financial instruments.

Financial instruments are recognised in the balance sheet when the Company becomes party to the contractual provisions of the instrument.

Financial assets and liabilities are offset, with the net amounts presented in the financial statements, when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

Basic financial assets

Basic financial assets, which comprise amounts owed by Group undertakings, other debtors and cash and cash equivalents, are initially measured at the transaction price including transaction costs and are subsequently carried at amortised cost using the effective interest method.

Financial assets, other than those held at fair value through profit or loss, are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows have been affected. If an asset is impaired, the impairment loss is the difference between the carrying amount and the present value of the estimated cash flows discounted at the asset's original effective interest rate. The impairment loss is recognised in profit or loss. If there is a decrease in the impairment loss arising from an event occurring after the impairment was recognised, the impairment is reversed. The reversal is such that the current carrying amount does not exceed what the carrying amount would have been, had the impairment not previously been recognised. The impairment reversal is recognised in profit or loss.

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire or are settled, or when the Company transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Basic financial liabilities

Basic financial liabilities, comprising amounts owed to Group undertakings and borrowings, are initially recognised at the transaction price and subsequently carried at amortised cost using the effective interest method.

Financial liabilities are derecognised when the Company's contractual obligations expire or are discharged or cancelled.

Leases

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating leases.

Notes to the Company financial statements continued

For the 52 weeks ended 27 September 2025

1 Accounting policies continued

Leases continued

Assets held under finance leases are recognised as assets at the lower of the assets' fair value at the date of inception of the lease and the present value of the minimum lease payments. The related liability is included in the balance sheet as a finance lease obligation. Lease payments are treated as consisting of capital and interest elements. The interest is charged to the profit and loss account so as to produce a constant periodic rate of interest on the remaining balance of the liability.

Rentals payable under operating leases, including any lease incentives received, are charged to the profit and loss account on a straight-line basis over the term of the relevant lease except where another more systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

Lease premiums received are recognised on a straight-line basis over the life of the lease.

Obligations arising from sale and leaseback arrangements with repurchase options that do not fall within the scope of Section 20 'Leases' of FRS 102 are classified as other lease related borrowings and accounted for as secured loans on an amortised cost basis.

Investments in subsidiaries

Interests in subsidiaries are initially measured at cost and subsequently measured at cost less any accumulated impairment losses. The investments are assessed for impairment at each reporting date and any impairment losses or reversals of impairment losses are recognised immediately in profit or loss.

Provisions

Provisions are recognised in the balance sheet when the Company has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of economic benefits will be required to settle the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties surrounding the obligation.

Where the effect of the time value of money is material, the amount expected to be required to settle the obligation is recognised at present value, using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation for which the estimates of future cash flows have not been adjusted. When a provision is measured at present value the unwinding of the discount is recognised as a finance cost in profit or loss in the period it arises.

Dividends

Dividends proposed by the Board but unpaid at the period end are recognised in the financial statements when they have been approved by the shareholders. Interim dividends are recognised when paid.

Preference shares

Preference shares are treated as borrowings, and dividends payable on those preference shares are charged as interest in the profit and loss account.

Group undertakings

There is an intra group funding agreement in place between the Company and certain other members of the Group. This agreement stipulates that all balances outstanding on any intercompany loan account between these companies which exceed £1 are interest bearing at a prescribed rate.

There is a 12.5% subordinated loan owed to the Company by Marston's Pubs Limited. The loan is subordinate to the amounts due under the securitisation for which the expected maturity date is 2035 (note 21 to the Group financial statements). There are also deep discount bonds owed by the Company to Banks's Brewery Insurance Limited. No interest is payable on any other amounts owed by/to Group companies who are not party to the intra group funding agreement.

All amounts owed by/to Group undertakings are unsecured and, with the exception of the subordinated loan and deep discount bonds, repayable on demand.

2 Judgements and key sources of estimation uncertainty

In the application of the Company's accounting policies, the Directors are required to make judgements, estimates and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

The following estimates and assumptions have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities:

Tangible fixed assets

The Company carries its effective freehold land and buildings at fair value. These properties are valued by external or internal valuers on an open market value basis, primarily using earnings multiples derived from prices in observed transactions involving comparable businesses. The estimation of the fair values requires a combination of assumptions, including future earnings and appropriate multiples.

The carrying amount of tangible fixed assets is shown in note 5.

Fixed asset investments

Where there are indications of impairment or reversal of impairment of the Company's investments in subsidiary undertakings an assessment is made of the recoverable amounts of the investments, which are based on either net assets or value in use calculations. The estimation of the recoverable amounts requires a combination of assumptions, including cash flows, long-term growth rates and pre-tax discount rates.

The carrying amount of fixed asset investments is shown in note 6.

Notes to the Company financial statements continued

For the 52 weeks ended 27 September 2025

2 Judgements and key sources of estimation uncertainty continued

Internal dividend payments

A significant judgement was required in assessing the availability of distributable reserves across subsidiaries of the Group, which enabled the declaration and settlement of internal dividends up to Marston's PLC.

Dividend income is recorded within the profit and loss reserves.

3 Auditor's remuneration

Fees payable to the Company's Auditor for the audit of the Company's annual accounts are disclosed in note 3 to the Group financial statements. Fees paid to the Company's Auditor for non-audit services to the Company itself are not required to be disclosed as the Group financial statements disclose such fees on a consolidated basis.

4 Employees

The average monthly number of people employed by the Company during the period was nil (2024: nil).

5 Tangible fixed assets

	Effective freehold land and buildings £m	Leasehold land and buildings £m	Fixtures, fittings, plant and equipment £m	Total £m
Cost or valuation				
At 29 September 2024	192.4	24.9	1.2	218.5
Additions	2.9	1.0	–	3.9
Revaluation	10.5	–	–	10.5
At 27 September 2025	205.8	25.9	1.2	232.9
Depreciation				
At 29 September 2024	–	17.1	0.9	18.0
Charge for the period	–	0.7	0.2	0.9
Impairment	–	1.3	–	1.3
At 27 September 2025	–	19.1	1.1	20.2
Net book amount at 28 September 2024	192.4	7.8	0.3	200.5
Net book amount at 27 September 2025	205.8	6.8	0.1	212.7

The net book amount of land and buildings is split as follows:

	2025 £m	2024 £m
Freehold land and buildings	152.8	141.8
Leasehold land and buildings with a term greater than 100 years at acquisition/commencement	53.0	50.6
Leasehold land and buildings with a term less than 100 years at acquisition/commencement	6.8	7.8
	212.6	200.2

If the effective freehold land and buildings had not been revalued, the historical cost net book amount would be £169.0 million (2024: £159.5 million).

Capital expenditure authorised and committed at the period end but not provided for in the financial statements was £nil (2024: £0.2 million).

The net book amount of effective freehold land and buildings held under finance leases at 27 September 2025 was £20.6 million (2024: £18.1 million). The net book amount of effective freehold land and buildings held as part of sale and leaseback arrangements that do not fall within the scope of Section 20 'Leases' of FRS 102 was £99.2 million (2024: £90.4 million). The net book amount of fixtures, fittings, plant and equipment held under finance leases was £0.2 million (2024: £nil).

The Company has charged effective freehold land and buildings with a value of £4.4 million (2024: £4.6 million) in favour of the Marston's PLC Pension and Life Assurance Scheme (the 'Scheme') as continuing security for the Group's obligations to the Scheme.

Revaluation/impairment

At 29 June 2025 independent chartered surveyors revalued the Company's effective freehold properties on an open market value basis. During the current and prior period various properties were also reviewed for impairment and/or material changes in value. These valuation adjustments were recognised in the revaluation reserve or profit and loss account as appropriate.

	2025 £m	2024 £m
Profit and loss account		
Impairment	(5.0)	(5.2)
Reversal of past impairment	10.3	7.7
	5.3	2.5
Revaluation reserve		
Unrealised revaluation surplus	7.0	7.5
Reversal of past revaluation surplus	(3.1)	(3.3)
	3.9	4.2
Net increase in shareholders' equity/tangible fixed assets	9.2	6.7

Notes to the Company financial statements continued

For the 52 weeks ended 27 September 2025

6 Fixed asset investments

	Subsidiary undertakings £m
Cost	
At 29 September 2024	266.2
Capital contribution in respect of equity-settled share-based payments	1.8
At 27 September 2025	268.0
Net book amount at 28 September 2024	266.2
Net book amount at 27 September 2025	268.0

Where there are indications of impairment or reversal of impairment of the Company's investments in subsidiary undertakings, an assessment is made of the recoverable amounts of the investments, which are based on either net assets or value in use calculations.

These financial statements are separate company financial statements for Marston's PLC.

The Company had the following subsidiary undertakings at 27 September 2025:

	Nature of business	Class of share	Proportion of shares held directly by Marston's PLC	Proportion of shares held by the Group
Marston's Estates Limited	Property management	Ordinary 25p	–	100%
Marston's Operating Limited	Pub retailer	Ordinary £1	–	100%
Marston's Pubs Limited	Pub retailer	Ordinary £1	–	100%
Marston's Pubs Parent Limited	Holding company	Ordinary £1	–	100%
Marston's Telecoms Limited	Telecommunications	Ordinary £1	–	100%
Marston's Trading Limited	Pub retailer	Ordinary £5	–	100%
Banks's Brewery Insurance Limited	Insurance	Ordinary £1	–	100%
Marston's Acquisitions Limited	Acquisition company	Ordinary 25p Preference £1	–	100%
Marston's Corporate Holdings Limited	Holding company	Ordinary £1	100%	100%
Marston's Issuer PLC	Financing company	Ordinary £1	–	–
Marston's Issuer Parent Limited	Holding company	Ordinary £1	–	–
Brasserie Restaurants Limited	Dormant	Ordinary £1	–	100%
Celtic Inns Holdings Limited*	Dormant	Ordinary 1p	–	100%
Celtic Inns Limited*	Dormant	Ordinary £1	–	100%
Eldridge, Pope & Co., Limited	Dormant	Ordinary 50p	–	100%
English Country Inns Limited*	Dormant	Ordinary 50p	–	100%
Fayolle Limited	Dormant	Ordinary £1	–	100%
John Marston's Taverners Limited	Dormant	Ordinary £1	–	100%
Lambert Parker & Gaines Limited	Dormant	Ordinary £1	–	100%

	Nature of business	Class of share	Proportion of shares held directly by Marston's PLC	Proportion of shares held by the Group
Mansfield Brewery Limited	Dormant	Ordinary 25p	–	100%
Mansfield Brewery Trading Limited	Dormant	Ordinary £1	–	100%
Marston, Thompson & Evershed Limited	Dormant	Ordinary 25p	–	100%
Marston's Property Developments Limited	Dormant	Ordinary £1	–	100%
Osprey Inns Limited	Dormant	Ordinary £1	–	100%
Pitcher and Piano Limited	Dormant	Ordinary £1	–	100%
Porter Black (2003) Limited*	Dormant	Ordinary £1	–	100%
QP Bars Limited*	Dormant	Ordinary £1	–	100%
Sherwood Forest Properties Limited	Dormant	Ordinary £1	–	100%
W&DB (Finance) Limited	Dormant	Ordinary £1	–	100%
Wizard Inns Limited	Dormant	'A' Ordinary 1p Deferred 1p	–	100%

* An application to strike off and dissolve these companies was submitted to Companies House prior to the date of issuance of these financial statements.

The registered office of all of the above subsidiaries is St Johns House, St Johns Square, Wolverhampton, WV2 4BH, with the exception of Banks's Brewery Insurance Limited, Marston's Issuer PLC and Marston's Issuer Parent Limited. The registered office of Banks's Brewery Insurance Limited is PO Box 33, Dorey Court, Admiral Park, St Peter Port, Guernsey, GY1 4AT. The registered office of Marston's Issuer PLC and Marston's Issuer Parent Limited is Wilmington Trust SP Services (London) Limited, Third Floor, 1 King's Arms Yard, London, EC2R 7AF.

The exemption from audit has been claimed for the individual financial statements of Marston's Telecoms Limited (registered number 4010795) for the 52 weeks ended 27 September 2025 under section 479A of the Companies Act 2006. Marston's PLC has given the required guarantee under section 479C in respect of the reporting period. The results of Marston's Telecoms Limited are included in these consolidated financial statements.

All subsidiaries have been included in the consolidated financial statements. Although the Group does not hold any shares in Marston's Issuer PLC and its parent company, Marston's Issuer Parent Limited, these companies are treated as subsidiary undertakings for the purpose of the consolidated financial statements as it is considered that they are controlled by the Group. Marston's Issuer PLC was set up with the sole purpose of issuing debt secured on the assets of Marston's Pubs Limited. Wilmington Trust SP Services (London) Limited holds the shares of Marston's Issuer Parent Limited under a declaration of trust for charitable purposes.

Notes to the Company financial statements continued

For the 52 weeks ended 27 September 2025

7 Debtors

	2025 £m	2024 £m
Amounts falling due within one year		
Amounts owed by Group undertakings	252.3	252.3
Other debtors	3.7	4.3
	256.0	256.6
Amounts falling due after more than one year		
12.5% subordinated loan owed by Group undertaking	790.1	747.6
Deferred tax asset	0.3	–
	790.4	747.6

Amounts owed by Group undertakings are non-interest bearing and repayable on demand.

The gross contractual amount outstanding in respect of the subordinated loan was £2,095.8 million (2024: £1,901.0 million) and the impact of discounting the expected cash flows at 12.5% was £1,305.7 million (2024: £1,153.4 million).

8 Creditors

	2025 £m	2024 £m
Amounts falling due within one year		
Amounts owed to Group undertakings	470.9	576.8
Finance leases	0.7	0.6
Other lease related borrowings	(0.2)	(0.1)
Corporation tax	95.4	80.9
Accruals and deferred income	9.4	9.1
	576.2	667.3
Amounts falling due after more than one year		
Finance leases	18.3	18.7
Other lease related borrowings	88.9	88.7
Preference shares	0.1	0.1
Accruals and deferred income	6.1	7.0
	113.4	114.5

Included within amounts falling due within one year, corporation tax, are amounts payable to other Group companies in respect of corporation tax.

The preference shares carry the right to a fixed cumulative preferential dividend. They participate in the event of a winding-up and on a return of capital and carry the right to attend and vote at general meetings of the Company, carrying four votes per share.

Other lease related borrowings represent amounts due under sale and leaseback arrangements that do not fall within the scope of Section 20 'Leases' of FRS 102. The Company has an option to repurchase each leased property for a nominal amount at the end of the lease. The leases have terms of 35 to 40 years and rents which are linked to RPI, subject to a cap and collar.

The amount falling due for payment after more than five years from the balance sheet date on debts repayable by instalments was £106.3 million (2024: £106.5 million). Debts of £0.1 million (2024: £0.1 million) were repayable otherwise than by instalments after more than five years from the balance sheet date.

9 Provisions for liabilities

	2025 £m	2024 £m
Property leases	3.6	3.6
Deferred tax liabilities	–	2.0
	3.6	5.6

Movements on provisions apart from deferred tax liabilities:

	Property leases £m
At 29 September 2024	3.6
Provided in the period	1.2
Released in the period	(0.9)
Utilised in the period	(0.4)
Unwind of discount	0.1
At 27 September 2025	3.6

Payments are expected to continue in respect of these property leases for periods of 1 to 28 years (2024: 1 to 20 years). There is not considered to be any significant uncertainty regarding the amount and timing of these cash flows relating to onerous lease and dilapidation provisions.

Notes to the Company financial statements continued

For the 52 weeks ended 27 September 2025

10 Deferred tax

The amount provided in respect of deferred tax is as follows:

	2025 £m	2024 £m
Excess of capital allowances over accumulated depreciation	7.5	6.5
Property related items	1.3	0.3
Other	(9.1)	(4.8)
	(0.3)	2.0
		Deferred tax £m
Deferred tax liability at 29 September 2024		2.0
Charged to profit or loss		(2.4)
Charged to other comprehensive income		0.1
Deferred tax asset at 27 September 2025	(0.3)	

A deferred tax asset of £6.7 million (2024: £7.5 million) arising on capital losses has not been recognised due to uncertainty over its future recoverability.

11 Operating lease commitments

At 27 September 2025 the Company had outstanding commitments for future minimum lease payments under non-cancellable operating leases as follows:

	2025 £m	2024 £m
Within one year	6.5	6.5
In more than one year but less than five years	20.4	20.5
In more than five years	28.0	32.2
	54.9	59.2

12 Finance lease obligations

The Company leases various properties and items of equipment under finance leases. The leases have various terms, escalation clauses and renewal rights. Future minimum lease payments under finance leases are as follows:

	2025 £m	2024 £m
Within one year	1.7	1.7
In more than one year but less than five years	5.5	5.4
In more than five years	25.5	26.9
	32.7	34.0
Future finance charges	(13.7)	(14.7)
Present value of finance lease obligations	19.0	19.3

13 Equity share capital

	2025		2024	
	Number m	Value £m	Number m	Value £m
Allotted, called up and fully paid				
Ordinary shares of 7.375p each	660.4	48.7	660.4	48.7

14 Reserves

The share premium account comprises amounts in excess of nominal value received for the issue of shares less any transaction costs.

When effective freehold land and buildings are revalued any gains and losses are recognised in the revaluation reserve, except to the extent that a revaluation gain reverses a revaluation loss previously recognised in profit or loss or a revaluation loss exceeds the accumulated revaluation gains recognised in the revaluation reserve; such gains and losses are recognised in profit or loss. The associated deferred tax on revaluations is also recognised in the revaluation reserve. Amounts representing the equivalent depreciation are transferred to profit and loss reserves annually and the full amount is transferred on disposal of the associated property.

The capital redemption reserve arose on share buybacks.

Details of own shares are provided in note 29 to the Group financial statements.

Notes to the Company financial statements continued

For the 52 weeks ended 27 September 2025

15 Group undertakings

During the current period, the Company received non-cash dividends from its subsidiary, Marston's Corporate Holdings Limited, in the form of intercompany receivables due from Marston's Trading Limited and Marston's PLC. The intercompany receivables had a total carrying amount of £143.3 million and were transferred at book value. The dividends were declared out of realised profits and recognised as distributions in kind in accordance with FRS 102 and applicable company law.

Following the receipt of these assets, the Company entered into a formal offset agreement with Marston's Trading Limited to legally net the receivables against part of an existing liability. As a result, intercompany debtors and creditors of an equal and opposite amount were derecognised from the Company's balance sheet.

The wholly owned Group controlled by Marston's PLC manages its tax affairs by optimising available reliefs across the Group, which is common practice within wholly owned groups. During the year, a potential risk was identified regarding Group entity Marston's Pubs Limited's prior acceptance of capital gains and other transfers from Group entities without direct consideration. Where such gains give rise to liabilities and Marston's Pubs Limited lacks sufficient distributable reserves, this may constitute an unlawful distribution under the Companies Act 2006. To mitigate this risk, Marston's PLC has provided nominal consideration for the relevant gains to Marston's Pubs Limited, reflecting the estimated liability.

16 Guarantees and contingent liabilities

The Company has entered into a Deed of Guarantee with Marston's Trading Limited ('Trading') and the Trustees of the Marston's PLC Pension and Life Assurance Scheme (the 'Scheme') whereby it guarantees to the Trustees the ongoing obligations of Trading to contribute to the Scheme and the obligations of Trading to contribute to the Scheme in the event of a debt becoming due under section 75 of the Pensions Act 1995 on the occurrence of either Trading entering liquidation or the Scheme winding up.

The Company has guaranteed the obligations of Trading under certain of its banking facilities and the obligations of Marston's Estates Limited under various property leases.

Alternative performance measures

Abbreviations

APM Alternative performance measure

Capex Capital expenditure

EBITDA Earnings before interest, tax, depreciation, and amortisation

FCF Free cash flow

LFL Like-for-like

NAV Net asset value

NCF Net cash flow

Definitions

APMs

In addition to statutory financial measures, these full year results include financial measures that are not defined or recognised under IFRS, all of which the Group considers to be alternative performance measures (APMs). APMs should not be regarded as a complete picture of the Group's financial performance, which the Group presents within its total results.

The APMs are used by the Board and management to analyse operational and financial performance and track the Group's progress against long-term strategic plans. The APMs provide additional information to investors and other external shareholders to enhance their understanding of the Group's results and facilitate comparison with industry peers.

Capex

Capital expenditure is the cost of acquiring and maintaining fixed assets, comprising both maintenance and investment expenditure. It is a measure by which the Group and interested stakeholders assess the level of investment in the estate to maintain and increase the Group's profit. Capital expenditure is the purchase of property, plant and equipment and intangible assets as presented directly within the Group cash flow statement.

Loan to value

Loan to value is presented both for the Group's securitised debt and for the Group's net debt excluding lease liabilities. The loan to value ratio is the percentage of the amount borrowed against the value of the Group's assets.

LFL sales

LFL sales reflect sales for all pubs that were trading in the two periods being compared expressed as a percentage. LFL sales from managed and pub partnership sites includes food, accommodation and gaming machine income, and excludes door income.

The inclusion of a pub within LFL sales is considered on a daily basis and a pub is included within LFL sales for only the days within the trading period where it meets the definition of LFL. A site is considered fully open for trading if it generated more than £100 per day. If a site is acquired or disposed of during the two periods being compared, LFL sales include the days where the site is fully open for trading in both periods.

LFL sales is a widely used industry measure which provides better insight into the trading performance of the Group as total revenue is impacted by acquisitions, disposals, and investment into the estate through conversions and refurbishments.

NAV per share

NAV per share is the value of net assets of the Group, divided by the number of shares in issue excluding own shares held.

NCF

NCF is the increase/decrease in cash and cash equivalents in the period, adjusted for movements in other cash deposits and the cash movement in debt. NCF was used by the Group to determine targets for LTIP awards.

Net debt

Net debt is defined as the sum of cash and cash equivalents and other cash deposits, less total borrowings, at the balance sheet date. Net debt is also presented excluding lease liabilities. The net debt to EBITDA leverage ratio is presented both inclusive and exclusive of IFRS 16 lease liabilities and the associated EBITDA impact which is both post- and pre-IFRS 16 impacts respectively.

Non-underlying

Non-underlying items are presented separately on the face of the income statement and are defined as those items of income and expense which, because of the size, nature and/or expected infrequency of the events giving rise to them, are considered material, and merit separate presentation to enable users of the financial statements to better understand elements of financial performance in the period, and to facilitate comparison with future and prior periods. As management of the freehold and leasehold property estate is an essential and significant area of the business, the threshold for classification of property-related items as non-underlying is higher than other items.

Underlying results should not be regarded as a complete picture of the Group's financial performance as they exclude specific items of income and expense. The full financial performance of the Group is presented within its total statutory results.

Operating profit/(loss)

Operating profit/(loss) is revenue less net operating expenses. Operating profit/(loss) is presented directly on the Group income statement. It is not defined in IFRS; however, it is a generally accepted profit measure.

Alternative performance measures continued

Definitions continued

Profit/(loss) before tax

Profit/(loss) before tax is profit/(loss) for the period presented before the tax charge/credit for the period. Profit/(loss) before tax is presented directly on the Group income statement. It is not defined in IFRS; however, it is a generally accepted profit measure.

Recurring FCF

Recurring FCF represents NCF adjusted for the sale of property, plant and equipment and assets held for sale, disposal proceeds from the sale of the Group's investment in Carlsberg Marston's Limited, and dividends received from associates.

Sales from managed and pub partnership sites

Sales from managed and pub partnership sites represents all revenue that is generated in our managed and franchised pubs, which includes food, drink, accommodation, gaming machine and door income.

Underlying earnings/(loss) per share

Underlying earnings/(loss) per share reflects the earnings attributable to ordinary shareholders, adjusted to exclude non-underlying items.

Underlying EBITDA

Underlying EBITDA is the earnings before interest, tax, depreciation, amortisation and non-underlying items. The Directors regularly use underlying EBITDA as a key performance measure in assessing the Group's profitability. The measure is considered useful to users of the financial statements as it is a widely used industry measure which allows comparison to peers and comparison of performance across periods, and is used to determine bonus outcomes for Directors' remuneration.

Wholesale sales

Wholesale sales represents revenue from contracts with customers generated from our tenanted and leased pubs.

Year

The current year refers to the 52-week period ended 27 September 2025. The prior year refers to the 52-week period ended 28 September 2024.

Reconciliation of APMs to Marston's strategy

APM	Closest equivalent statutory measure	Link to value driver for growth	Link to key sustainability targets
Capex	Purchase of property, plant and equipment and intangible assets	Capex to create differentiated pub formats	To promote energy from renewable or self-generated sources
NCF Recurring FCF	Net increase/(decrease) in cash and cash equivalents	Leveraging Marston's synergies in targeted acquisitions	To achieve Net Zero by 2040 Maintain FTSE4Good certification
LFL sales	Revenue	Execute a market-leading pub operating model Digital transformation	All of our pubs to be 5* EHO
NAV per share	Net assets	Capex to create differentiated pub formats	To achieve Net Zero by 2040
Net debt Loan to value	Borrowings	Capex to create differentiated pub formats Execute a market leading pub operating model	To achieve Net Zero by 2040
Underlying operating margin	Operating profit	Execute a market leading pub operating model	50% reduction in food waste by 2030
Underlying EBITDA	Operating profit	Expansion of managed and partnership models	To reduce the volume of water we consume across our estate every year

Alternative performance measures continued

Reconciliation of APMs to statutory results

Condensed cash flow statement with APM subtotals

Statutory reference	2025 £m	2024 £m
Underlying EBITDA	205.1	193.0
Non-underlying EBITDA	19.8	(32.0)
Total EBITDA	224.9	161.0
Non-cash movements	Cash flow statement (21.5)	32.7
Decrease in provisions and other non-current liabilities	Cash flow statement (0.3)	(0.9)
Cash adjusted total EBITDA	203.1	192.8
Income tax (paid)/received	Cash flow statement (5.3)	0.1
Working capital	Cash flow statement 3.0	8.2
Difference between defined benefit pension contributions paid and amounts charged	Cash flow statement (1.6)	(7.5)
Net cash inflow from operating activities (excluding dividends from associates)	199.2	193.6
Net interest paid and finance lease capital repayments	(83.2)	(98.2)
Purchase of property, plant and equipment and intangible assets	Cash flow statement (61.2)	(46.2)
Arrangement costs of bank facilities and swap termination costs	(0.9)	(5.6)
Purchase of own shares	Cash flow statement (0.8)	–
Proceeds from sale of own shares	Cash flow statement 0.1	–
Recurring free cash flow	53.2	43.6
Dividends from associates	Cash flow statement –	13.8
Sale of property, plant and equipment and assets held for sale	Cash flow statement 6.4	46.9
Disposal of associate	Cash flow statement (2.8)	205.5
Net cash flow	56.8	309.8
Cash outflow from movement in debt	Note 30 (66.4)	(293.9)
Decrease in other cash deposits	Note 30 –	2.0
Net (decrease)/increase in cash and cash equivalents	Cash flow statement (9.6)	17.9

Loan to value

Statutory reference	27 September 2025 £m	28 September 2024 £m
Securitised pubs and lodges	1,211.0	1,145.9
Non-securitised effective freehold pubs and lodges	671.9	618.5
Non-securitised leasehold pubs and lodges	1,882.9	1,764.4
Other non-core properties and administration assets	274.1	282.8
Property, plant and equipment total	24.3	21.8
Property, plant and equipment total	Balance sheet 2,181.3	2,069.0
Securitised debt due within one year	Note 20 45.9	43.5
Securitised debt due after one year	Note 20 470.8	516.7
Cash balances in respect of the securitisation	Note 21 516.7	560.2
Securitised net debt	(21.8)	(34.0)
Securitised net debt	494.9	526.2
Loan to value of securitised net debt	41%	46%
Net debt excluding lease liabilities at end of the period	Note 30 837.5	883.7
Loan to value of net debt excluding lease liabilities	44%	50%

LFL sales

Statutory reference	52 weeks to 27 September 2025 £m	52 weeks to 28 September 2024 £m	LFL %
LFL sales from managed and pub partnership sites	856.3	842.6	1.6
Non-LFL sales from managed and pub partnership sites	14.8	21.2	
Door income	0.8	0.8	
Sales from managed and pub partnership sites	Note 3 871.9	864.6	

Alternative performance measures continued

Reconciliation of APMs to statutory results continued

NAV per share

	Statutory reference	2025	2024
Net assets (£m)	Balance sheet	790.7	654.8
Number of shares outstanding (m)	Note 28/29	633.2	633.8
NAV per share (£)		1.25	1.03

Underlying¹ operating margin and underlying¹ EBITDA margin (from continuing operations)

	2025			2024		
	Underlying ¹ £m	Non- underlying ¹ £m	Total £m	Underlying ¹ £m	Non- underlying ¹ £m	Total £m
Continuing operations						
Operating profit *	159.9	19.8	179.7	147.2	4.5	151.7
Depreciation and amortisation *	45.2	–	45.2	45.3	–	45.3
EBITDA	205.1	19.8	224.9	192.5	4.5	197.0
Discontinued operations						
Profit/(loss) for the period from discontinued operations	–	–	–	0.5	(36.5)	(36.0)
	–	–	–	0.5	(36.5)	(36.0)
EBITDA for continuing and discontinued operations	205.1	19.8	224.9	193.0	(32.0)	161.0

* Operating profit agrees to the Group income statement and depreciation and amortisation agrees to the Group cash flow statement.

	Statutory reference	2025 £m	2024 £m
Operating profit	Income statement	179.7	151.7
Non-underlying ¹ operating items	Income statement	(19.8)	(4.5)
Underlying ¹ operating profit		159.9	147.2
Depreciation and amortisation	Cash flow statement	45.2	45.3
Underlying ¹ EBITDA		205.1	192.5
Revenue	Income statement	897.9	898.6
Underlying ¹ operating margin		17.8%	16.4 %
Underlying ¹ EBITDA margin		22.8%	21.4 %

Net debt

	Statutory reference	2025 £m	2024 £m
Underlying EBITDA under IFRS 16		205.1	192.5
Net rental charge		(22.4)	(21.7)
Underlying EBITDA pre IFRS 16		182.7	170.8
Net debt including lease liabilities at end of the period	Note 30	1,205.7	1,257.4
Net debt to EBITDA leverage including lease liabilities		5.9	6.5
Net debt excluding lease liabilities at end of the period	Note 30	837.5	883.7
Net debt to EBITDA leverage excluding lease liabilities		4.6	5.2

Information for shareholders

Annual General Meeting (AGM)

The Company's AGM will be held at 10:00am on 28 January 2026 at The Farmhouse at Mackworth, 60 Ashbourne Road, Derby DE22 4LY. Any changes to the AGM arrangements will be communicated to shareholders before the AGM through our website and, where appropriate, by RNS announcement.

Online voting for the AGM

Shareholder participation remains important to us and we strongly encourage all shareholders vote on each of the resolutions in advance. Shareholders who have already registered with Equiniti Registrars' online portfolio service, Shareview, can appoint their proxy electronically by logging on to their portfolio at **www.shareview.co.uk** using their user ID and password.

Financial calendar

AGM and Interim Management Statement	28 January 2026
Half-year results	May 2026
Full-year results	November 2026

These dates are indicative only and may be subject to change.

Registrars

The Company's shareholder register is maintained by our Registrar, Equiniti. If you have any queries relating to your Marston's PLC shareholding you should contact Equiniti directly by one of the methods below:

Online: **help.shareview.co.uk** – from here you will be able to securely email Equiniti with your query

Telephone: +44 (0)371 384 2274¹

By post: Equiniti, Aspect House, Spencer Road, Lancing, West Sussex BN99 6DA

Dividend payments

More information on dividend payments can be found on page 13. If you believe you have any unclaimed dividends or have misplaced a cheque, please contact Equiniti or visit **www.shareview.co.uk**. By completing a bank mandate form, dividends can be paid directly into your bank or building society account. To change how you receive your dividends contact Equiniti or visit **www.shareview.co.uk**.

Electronic communications

Changes in legislation in recent years allow the Company to use its corporate website as the main way to communicate with our shareholders. Our Annual Report and Accounts are only sent to those shareholders who have opted to receive a paper copy. Registering to receive shareholder documentation from the Company electronically will allow shareholders to:

- view the Annual Report and Accounts on the day it is published;
- receive an email alert when the Annual Report and Accounts and any other shareholder documents are available;
- cast their AGM votes electronically; and
- manage their shareholding quickly and securely online, through **www.shareview.co.uk**

This reduces our impact on the environment, minimises waste and reduces printing and mailing costs. For further information and to register for electronic shareholder communications, visit **www.shareview.co.uk**.

Buying and selling shares in the UK

If you wish to buy or sell Marston's PLC shares and hold a share certificate, you can:

- use the services of a stockbroker or high street bank; or
- use a telephone or online service. If you sell your shares in this way you will need to present your share certificate at the time of sale. Details of a low cost dealing service may be obtained from **www.shareview.co.uk/dealing** or 0345 603 7037²

Ordinary Shares

Range of Shareholding

Balance ranges	Total no. holdings	% of holders	Total no. shares	% issued capital
1 – 1,000	3,220	48.34	1,246,023	0.19
1,001 – 10,000	2,583	38.77	9,415,572	1.43
10,001 – 100,000	653	9.80	17,845,054	2.70
100,001 – 1,000,000	128	1.92	44,469,067	6.73
1,000,001 – 999,999,999	78	1.17	587,386,478	88.95

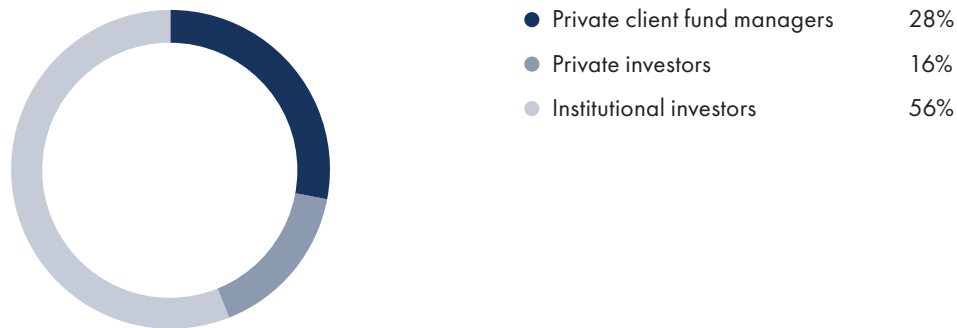
1. Lines are open from 8:30am to 5:30pm (UK time), Monday to Friday, excluding public holidays in England and Wales. If calling from outside of the UK, please ensure the country code is used.

2. Lines are open Monday to Friday, 8:00am to 4:30pm for dealing and until 5:30pm for enquiries (UK time), excluding English public holidays.

Information for shareholders continued

Ordinary Shares continued

Analysis of shareholder register by investor type



Share fraud warning

Share fraud includes scams where investors are called out of the blue and offered an inflated price for shares they own or shares that often turn out to be worthless or non-existent. These calls come from fraudsters operating 'boiler rooms' that are mostly based abroad. While high profits are promised, those who buy or sell shares in this way usually lose their money. The Financial Conduct Authority (FCA) has found most share fraud victims are experienced investors who lose an average of £20,000, with around £200 million lost in the UK each year.

If you are offered unsolicited investment advice, discounted shares, a premium price for shares you own, or free company or research reports, you should take these steps before handing over any money:

- Get the name of the person and organisation contacting you and then end the call.
- Check the Financial Services Register at www.fca.org.uk/register to ensure they are authorised.
- Use the details on the FCA Register to contact the firm.
- Call the FCA Consumer Helpline on 0800 111 6768 if there are no contact details on the Register or you are told they are out of date.
- Search the FCA list of unauthorised firms and individuals to avoid doing business with.
- Remember, if it sounds too good to be true, it probably is.

If you use an unauthorised firm to buy or sell shares or other investments, you will not have access to the Financial Ombudsman Service or Financial Services Compensation Scheme if things go wrong.

If you are approached about a share scam you should tell the FCA using the share fraud reporting form at www.fca.org.uk/consumers/report-scam where you will find out about the latest investment scams. You can also call the Consumer Helpline on 0800 111 6768.

Company details

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Telephone: 01902 907250

Company registration number: 31461

Investor queries: investorrelations@marstons.co.uk

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Glossary

AGM	Annual General Meeting
BPS	Basis points – unit of measurement used to express percentage change
CAGR	Compound Annual Growth Rate
CAPEX	Capital expenditure
CMBC	Carlsberg Marston's Brewing Company
CMD	Capital Markets Day
ED&I	Equity, Diversity and Inclusion
EBITDA	Earnings before interest, taxes, depreciation, and amortisation
EHO	Food hygiene rating issued by Food Standards Agency
EPC	Energy performance certificate
ESG	Environmental, Social and Governance
EV	Electric vehicle
FCF	Free cash flow
FTSE4Good	An index designed to measure the performance of companies demonstrating strong Environmental, Social and Governance practices
FY	Financial year
GHG	Greenhouse Gas
IFRS	International Financial Reporting Standards

LFL	Like-for-like
LTIP	Long-Term Incentive Plan
NCF	Net cash flow
PBT	Profit before tax
PCA	Pubs Code Adjudicator
Pub Support Centre	Marston's head office
RFCF	Recurring free cash flow
Reputation score	Third party platform for collating guest feedback, generating overall score
ROIC	Return on investment capital
SEDEX	Supplier Ethical Data Exchange – membership organisation for auditing supply chains
TCFD	Task Force on Climate-related Financial Disclosures
The Pubs Code	Statutory regulation effective 21 July 2016
TSR	Total shareholder return – a combination of share price appreciation and dividends paid



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