ProCook®

Built for better cooking

Annual Report and Accounts 2025

Introduction

Our mission

To become the UK's No.1 kitchenware destination

Built for better cooking, elevating every dish you make one bite at a time

We are the UK's leading direct-to-consumer specialist kitchenware brand. We design, develop and retail a high-quality range of direct-sourced and own-brand kitchenware, which provides our customers with great value for money and a superior cooking and dining experience. Our purpose is to bring joy to everyday cooking, and our mission to become the UK's No. 1 kitchenware destination, is underpinned by our clear strategy to create sustainable value for all stakeholders.

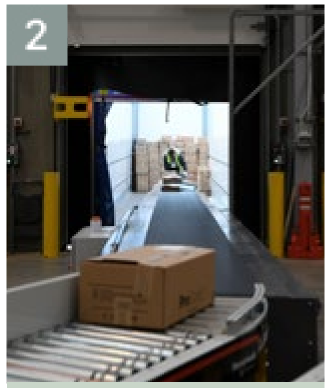
Visit our website at:
www.procookgroup.co.uk

Contents

Read more about our 4 strategic priorities:

Accelerate profitable sales growth

Read more: pages 14 to 17



Improve operating efficiency

Read more: page 18

Create a great place to work

Read more: page 19

Be a force for good

Read more: pages 20 to 23

FY25 highlights

Improved financial performance and strong execution of strategic priorities in FY25 as we accelerate profitable growth

Financial

Revenue

£69.5m

FY24: **+11%**

LFL Revenue % APM

+4.9%

FY24: **(2.0%)**

Gross profit

£45.7m

FY24: **£41.1m**

Underlying EBITDA APM

£8.9m

FY24: **£6.8m**

Underlying operating profit APM

£3.2m

FY24: **£2.1m**

Free cash flow APM

£1.7m

FY24: **£2.0m**

Net cash APM

£1.0m

FY24: **Net Debt -£0.7m**

Strategic

Number of new customers ('000)

737

FY24: **687**

Number of active customers (L12M) ('000)

1,130

FY24: **1,047**

Trustpilot score

4.7

FY24: **4.8**

Number of stores

66

FY24: **57**

Colleague Engagement Score

77%

FY24: **66%**

Colleagues at reporting date

644

FY24: **578**

CO_2e emissions intensity

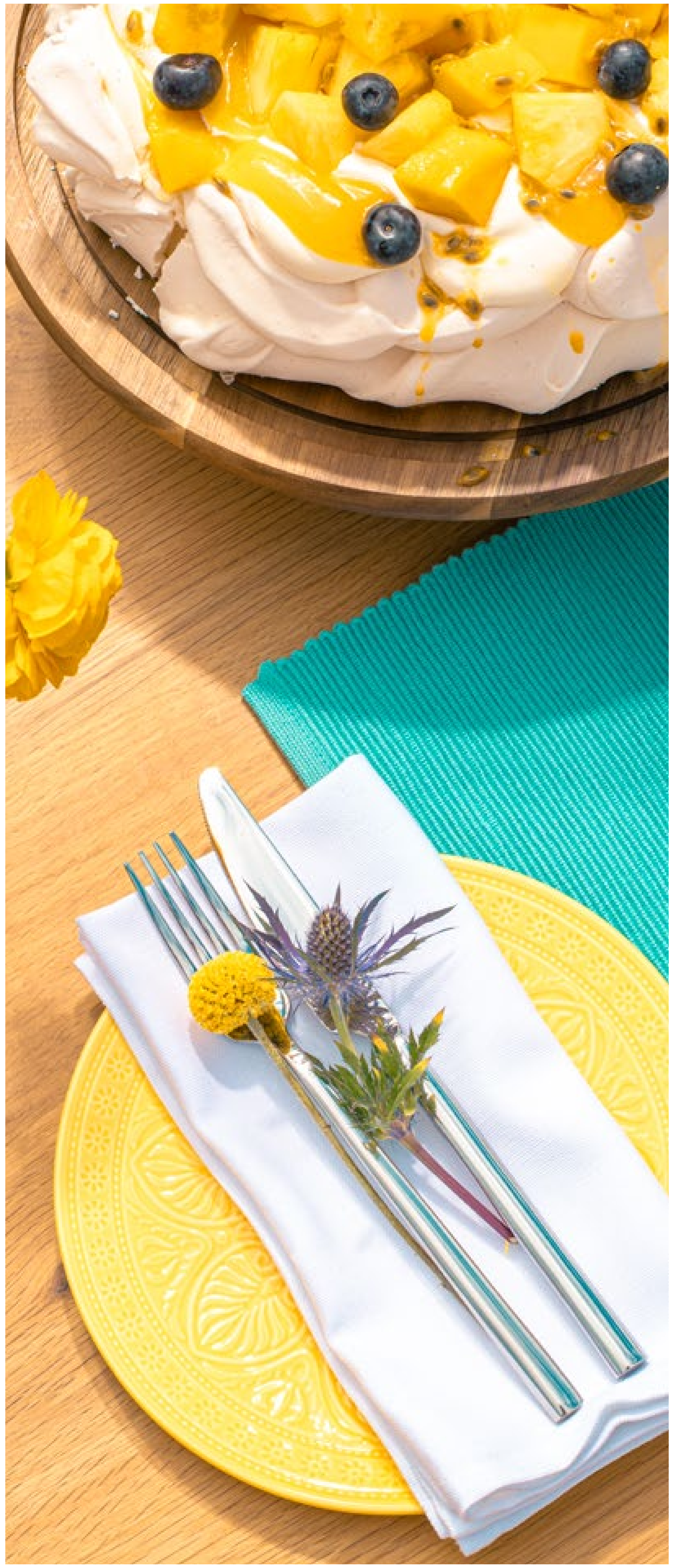
6.0

FY24: **6.9**

APM

This report contains Alternative Performance Measures, which may not be defined or specified in accordance with statutory measures.

See page 162 for further information.



Chair's introduction

> "The opportunity to profitably grow market share and brand awareness is significant, offering sustainable value creation potential for all stakeholders"
>
> **Greg Hodder**
> Chair

I am pleased to report that substantial progress has been made in the last 12 months as this year saw strong growth in sales, record customer numbers, improved profitability and cash generation. As an own-brand, direct-sourced category specialist, ProCook has a unique position in its sector. Our proposition is highly differentiated, providing customers with high-quality products at far greater value than other well-known kitchenware brands, complemented by outstanding omnichannel service both in-store and online.

The opportunity to profitably grow market share and brand awareness is significant, offering sustainable value creation potential for all stakeholders. The strategy set out by the Leadership Team last June, is focused on capturing this opportunity and accelerating profitable growth. We are confident that we are on track to achieve our medium-term objectives of 100 stores, £100m revenue and 10% operating profit margin, and we believe that there is much that can be achieved in the years ahead.

In order to ensure that planned growth investment is self-funded in areas such as new stores, which will support improved future profitability and cash generation, the Board is not recommending a dividend payment for this financial year.

Culturally, the business continues to evolve, with the Leadership Team that Lee has established since he joined in September 2023 building strength together, uniting around shared objectives and focusing more purposefully on stores and customers. Discipline around strategic execution is now embedded, combined with the improved day-to-day rigour needed to trade effectively in a competitive retail environment.

Our role as a Board is to support and challenge the development of the business, adding value to the strategy through the combined experience that we bring and our robust approach to governance. These two parallel tracks are key to generating a sustainable business that delivers for all of our stakeholders. The Non-Executive Directors continue to work very well with the Executives and wider Leadership Team, bringing a combination of pragmatic counsel and relevant sector experience with appropriate challenge on strategic, operational and governance matters.

As a B Corp, and the first UK listed retailer to achieve the certification in 2022, we believe that we must be a force for good, encouraging customers and other organisations to make positive choices which help protect our planet and better serve the communities we operate in. We continue to take the right steps to progress our ambition to achieve net zero by 2040 as a responsible retailer.

Ensuring that ProCook remains a great place to work is important, and we are pleased that the results of colleague engagement surveys this year highlight an improving trend in colleague satisfaction. ProCook has been a committed member of the Living Wage Foundation, paying the Real Living Wage since 2021, with the average hourly paid colleague having benefitted from an increase of 40% in pay over the last 5 years, while other elements of the reward package have also been improved, helping to provide fairer pay for all. We are grateful for the hard work and commitment of all our people and our suppliers across our business, and on behalf of the Board, I would like to express our sincere thanks and gratitude.

Greg Hodder
Chair

24 June 2025

CEO's review

"We are building on our recent momentum and improved financial results, to deliver our medium-term ambition of 100 UK stores, £100m revenue and 10% operating profit margins."

Lee Tappenden
CEO

We have made strong progress over the last 12 months as we have delivered on the initial priorities we set out last year in our refreshed strategic plan. The results of this work have been encouraging, with a return to meaningful sales growth, market share gains and improved profitability.

We ended the financial year with record sales, record customer acquisition numbers and active customers, and record levels of colleague engagement.

The new talent we brought into key roles in our senior leadership team (Marketing, Commercial, Ecommerce and Retail) are now well-settled and forming strong working relationships, which will help ensure we can continue to build on the momentum we have established.

Our customer proposition and business foundations are strong, and we are becoming better recognised by UK customers. We are well positioned to deliver on our plans to accelerate profitable growth over the years ahead.

Strong trading momentum and improved profitability

We have continued to accelerate trading performance throughout the last financial year, with momentum building quarter on quarter and new customer acquisition and L12M active customers reaching new record levels. This is despite the market backdrop having remained challenging with consumer confidence still subdued, and geopolitical events creating significant uncertainty.

Total revenue of £69.5m was up 11.0% year on year, with strong like-for-like performance in both our Retail and Ecommerce channels resulting in total like-for-like growth of 4.9%.

Retail performance has been pleasing with revenue increasing by 10.3%, including like-for-like growth of 1.5% and an 8.8% impact of 12 new stores opened during the year, partially offset by the closure of three smaller garden centre stores. Like-for-like growth was driven by continued product innovation including the expansion of the new Electricals ranges and focus on delivering outstanding customer service.

Ecommerce revenue grew by 12.3%, including a 2.0% point benefit from the relaunch of a small, curated range on Amazon UK, and encouraging sales performance through our own website, which increased by +10.3% year on year. Performance on our own website was much improved following the disruption in the prior year from the transition to a new platform, supported by significant improvements in social media marketing capability and improved basket-building supporting increased average order values year on year.

Gross margins were slightly ahead year on year at 65.8% (FY24: 65.7%) as we absorbed heightened shipping costs as a result of the Middle East conflicts and delivered an encouraging Q4 rate of 66.8% (Q4 FY24: 64.5%). Underlying EBITDA improved by 31% to £8.9m (FY24: £6.8m) while underlying operating profit increased by 51% to £3.4m. Underlying profit before tax, which was impacted by adverse non-cash impacts of recent FX volatility, was up 51% to £1.5m.

The Group ended the financial year with net cash of £1.0m (FY24: net debt of £0.7m) reflecting free cash flow generation of £1.7m after £4.1m of investment capital expenditure primarily in new stores (FY24: £2.0m, after £1.9m of capital expenditure) and with available liquidity at the year end of £17.0m.

Our strategy for growth

We have made excellent progress over the last year in executing the early phases of the strategy we set out last year. Our plan will deliver sustainable and profitable growth for all of our stakeholders and we are making good headway towards our targets of 100 retail stores in the UK, £100m revenue, and 10% operating profit margin over the medium term.

We have taken the first steps to **expand our store network**, opening 12 new stores in prominent retail destinations throughout the UK. After closing three smaller and less profitable garden centre stores, we operated 66 stores at the end of the financial year. The new stores are enabling more customers to shop with us, providing us with access to over 150 million customer visits to the centres each year in catchments which we did not previously serve. Early performance has been encouraging and I am confident that these stores will become strong and profitable additions to our estate as they mature, while also serving to raise brand awareness. During the year we have developed a new store format which we expect to trial in the year ahead, to enhance the shopping experience for customers, adding more inspiration and warmth, combined with cleaner visual merchandising.

High-quality and great-value products are critical to our proposition and we have continued to **strengthen our product offer** expanding our new electricals range, improving seasonal range relevance, and enhancing our promotional campaigns at key points in the year, including Black Friday and the New Year Sale. We are improving commercial disciplines across pricing, intake management, and supplier engagement, while also accelerating our range development activities.

We are proud of our excellent-rated Trustpilot score, and we have a relentless drive to deliver a **best-in-class omnichannel customer service.** Our teams now monitor customer feedback in real time, using data to formulate and implement improvements to our online and in-store experiences. We have introduced omnichannel gift cards, added new payment options, and launched build-your-own set capabilities in-store and online, allowing customers to personalise their purchases.

Through the year, we have made significant headway in developing our brand personality, tone of voice and creative styling to **grow brand awareness and customer engagement** across all touchpoints. Our more inspirational and lifestyle-centred marketing campaigns are resonating well with customers. We have made good progress with our planned development of social marketing capabilities in the year and this has supported improved marketing efficiency and new customer acquisition.

Our decision to relaunch a curated range on Amazon UK, is enabling more customers to discover us for the first time, while also providing a convenient next-day service for those who choose to shop this way.

Our **supply chain transformation** programme is a multi-year initiative, and our early progress has been strong with a number of key initiatives implemented through the year, including warehouse operations pick and pack efficiencies, transitioning to a new delivery partner with roll cage-based deliveries for the South-East region, introducing reverse logistics capabilities and increased delivery frequency to improve on-shelf availability while reducing store inventory levels. We have formulated a plan and roadmap to develop the operating capacity and efficiency required to support our medium-term growth ambition and beyond.

During the year, our technology team have worked on multiple enhancements to operating systems and website technologies to improve both customer experience and operating efficiency. We have a clear programme of work to progress over the next three years to ensure we have **resilient and scalable technology solutions,** which support business growth whilst maintaining technical flexibility and cost-effectiveness.

I am pleased with the progress made this year as we **create a great place to work**. Our colleague engagement score increased to record levels and we were ranked 61st in the UK's Best Workplaces™ list for Large companies. We have completed our first leadership development programme with our "heads of" group and are in the process of rolling this out across manager-level roles. We have developed our new approach to deliver retail training excellence, including the recruitment of our first learning and development regional trainers to facilitate this in the years ahead.

Current trading and outlook

We have had a solid start to the new financial year with total revenue during the first quarter of FY26 increasing by 13.7% year on year, building on the momentum we have established.

We delivered total like for like sales growth of 2.0%, marking the sixth consecutive quarter of growth, with Retail up 0.3% on a LFL basis (impacted by lower footfall due to the warm weather) and Ecommerce LFL up 4.9% year on year.

During the quarter, we opened three new stores, and closed one, increasing the size of our retail estate to 68 stores and resulting in total Retail revenue growth of 16.9%. Including the impact of the Amazon channel relaunch, total Ecommerce revenue increased by 8.2%.

While we are mindful of the uncertain geopolitical backdrop, our momentum is underpinned by record active customers and customer acquisition, and we are confident we will continue to gain market share with our unique specialist proposition and that we will continue to realise the benefits of the strategic progress we have made in the last year.

In FY26 we expect to deliver continued revenue growth, primarily driven by progress in digital marketing and Ecommerce performance and the annualisation benefit of new Retail stores opened last year, coupled with the planned opening of between five and ten net new stores in the current year. We anticipate a modest improvement in gross margins, and with our continued focus on cost discipline across our business, we expect to mitigate cost pressures including the recent NIC increases, allowing us to re-invest responsibly to accelerate future profitable growth.

Despite the continued macro-economic and geo-political challenges, our refreshed strategy and strengthened customer focus is beginning to deliver improved performance and we have both the opportunity and a clear plan to accelerate this further.

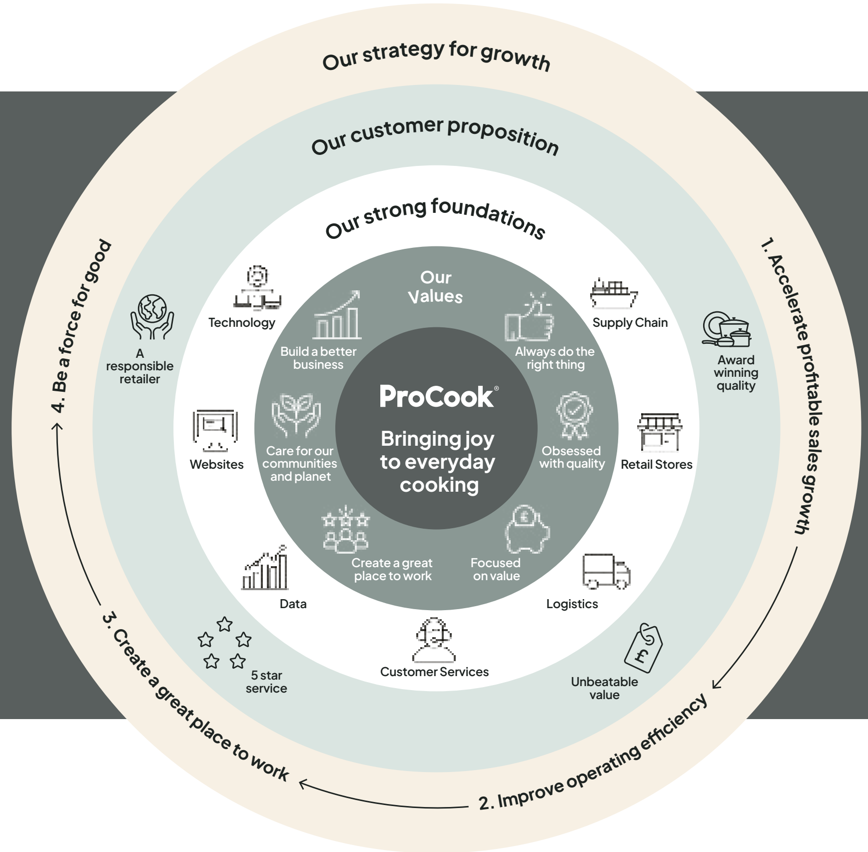
I am excited by the journey we are on and we have a great team in place to drive the business forward in line with our clear strategy. I would like to take the opportunity to thank all our colleagues for their effort, commitment and customer focus over the last financial year.

Lee Tappenden
CEO

24 June 2025

Business model

Through our direct-sourced and direct to consumer business model, we offer high-quality products at great value to our customers, delivered with outstanding omnichannel service. We're a responsible retailer who believes in being a force for good, creating greater value for all our stakeholders.



How we bring joy to everyday cooking

Award-winning quality

At every price point, we offer high-quality, thoughtfully designed products, that are built to last

Our products are designed and sourced by our in-house product teams, curating our range with a focus on quality, functionality, durability, sustainability and style, to ensure our customers enjoy using them in everyday cooking for many years. We are obsessed with quality and committed to working in a transparent and fair way with our suppliers to improve manufacturing standards and promote responsible sourcing.

When you shop with us, you can rest assured that you are getting an exceptional product that has been carefully crafted to meet your every need.

Unbeatable value

Our own-brand products and direct sourcing model enables us to offer lower prices for customers while maintaining strong margins

Working directly with manufacturers to design and source our products allows us to offer unbeatable value for our customers, and make high quality kitchenware accessible to all.

We target savings for our customers of at least 30% against comparable products from competitor brands. Additionally, we serve up great offers and promotional ranges through the year to provide value to our loyal and growing customer base.

5 star service

We're proud to deliver outstanding service, both in-store and online, making it easy to shop with us

With 68 retail stores spread throughout the UK, our expanding footprint provides customers a convenient and inspirational shopping experience. Our knowledgeable and friendly colleagues offer best-in-class customer service and help customers to trial products in store and select the right products for their needs.

Our custom-built website is designed to be easy to use and inspirational, with convenient home delivery and payment options for customers. We merchandise products using high-quality imagery and video content produced in our in-house studio to inspire our customers.

A responsible retailer

We're a B Corp, committed to doing the right thing for our people, our planet and our communities

As a certified Great Place to Work™ company, we are committed to treating our colleagues well. We employ over 600 people across our stores, logistics and central support functions. Our culture reflects our family heritage, and our teams are agile, collaborative and passionate about delivering for our customers.

We care for our communities too, raising funds for Life's a Beach and our colleague-nominated charity of the year as well as supporting Young Gloucestershire. With substantial progress already made in reducing our impact on the environment, we have a clear target of achieving Net Zero by 2040.

Our Store Support Centre is home to our central support teams including our logistics operations, and was designed and developed with sustainability in mind, earning a BREEAM "Excellent" rating.

How we create value for all our stakeholders

Certified B Corporation

A force for good

As a B Corp we are committed to being a force for good for the benefit of all of our stakeholders and to have a material positive impact on society and the environment.

Customers

Our mission is to become the UK's number one destination for kitchenware. In order to achieve our strategic ambitions, we must attract new customers to shop with us and grow engagement and loyalty within our existing customer base. We constantly strive to improve our proposition for our customers to offer even greater value, broader choice and an exceptional service experience every time they shop with us.

Which? Recommended Provider for the third consecutive year, with a Customer score of 81%

Colleagues

We're committed to creating an even better place to work for our people who are key to the long-term development of our brand. Colleague engagement and motivation is vital to us fulfilling our purpose, protecting our culture and delivering on our strategy so we pay all colleagues at least the Real Living Wage, and are committed to supporting their personal development and well-being.

We're a Great Place to Work™, according to our colleagues, certified four years running

Real Living Wage Foundation member since 2021

Suppliers

We believe in treating everyone fairly, including our suppliers. This has allowed us to build enduring supplier relationships, some for over 20 years, which ensures that we are always working towards a common goal. We work together with our suppliers to bring new products to market, driving up their production volume, while encouraging and supporting their sustainability programmes.

Working with Sedex and our suppliers to promote more sustainable manufacturing practices

Communities

We are committed to **caring for our communities and planet** and being a force for good in our communities. The positive impact we create reinforces ProCook as a great place to work and a great place to shop.

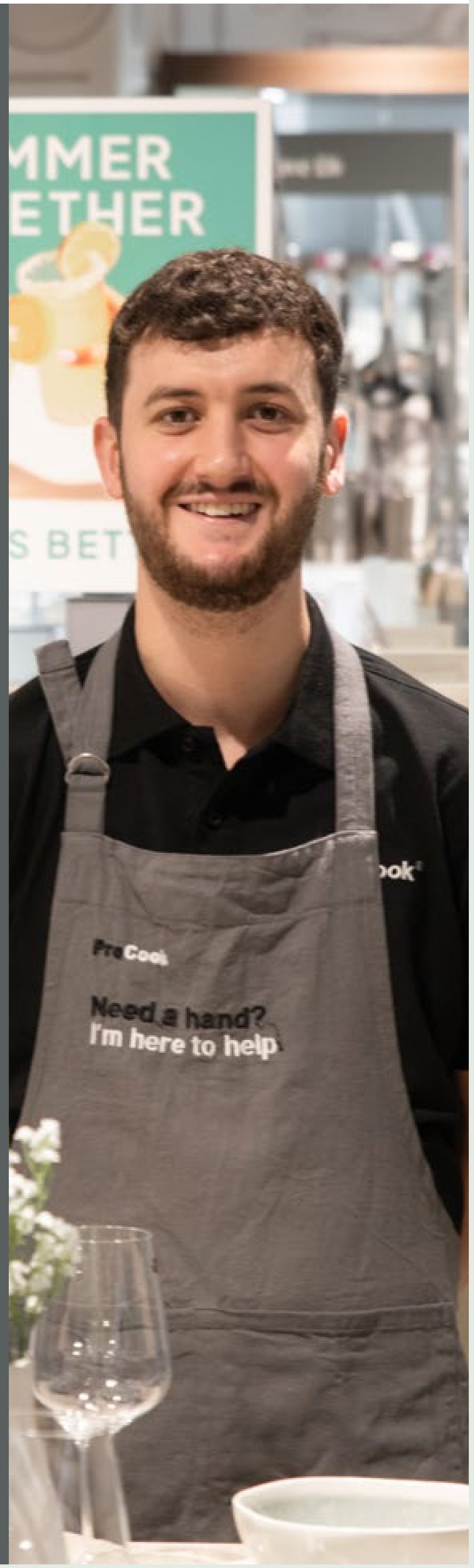
Partnering with Life's a Beach since 2019

Raised £21,000 for Foodcycle, our colleague-nominated charity of the year for FY25

Shareholders

We recognise that the trust of our shareholders, through their ongoing engagement, ensures continued support and investment, in turn, supporting ProCook's continued growth and development. This year, we've worked to improve direct communication and engagement with retail investors to ensure that everyone has the chance to learn about our Group.

Using IMC for equitable communication with all investor groups from FY24 results onwards



Engaging with Stakeholders

Section 172(1) Statement

Our decisions and actions can have significant impacts on our stakeholders, and in delivering our strategy and fulfilling our purpose, we are guided by our values to **always do the right thing**. We are committed to regular, open and effective engagement with our stakeholders and recognise that this is essential to ensure that the impacts of important decisions we make are appropriately considered.

The Directors confirm that they have, during the year, acted in a way that they consider, in good faith, to be most likely to promote the success of the Company for the benefit of its members and stakeholders as a whole, and, in doing so, have had regard to the matters set out in s172(1) (a) to (f) of the Companies Act 2006.

Further information on how the Directors have fulfilled their s172(1) duties, as well as examples of decision-making is set out in the Governance Report.

Read more: Board activities pages 76 to 79

Read more: S.172 statement pages 80 to 81

Customers

What matters most

- Product quality, design, choice, and value for money
- Ease of shopping experience across all touchpoints
- Inspiration and advice
- Sustainability

How we engaged

- We embedded Net Promoter Score in our stores and on our website as a key performance indicator for internal reporting, reviewing customer feedback weekly to resolve friction points and ensure we are a great place to shop
- We expanded our product range into more areas of the home, including coffee machines, giving customers even more ways to enjoy our award-winning quality and great value
- We have built engagement on our organic social media channels over the last 12 months, with expert advice and how-to guides, and expanded recipe content on our website to inspire and educate our customers

Priorities for the year ahead

- Adding more touchpoints to our NPS focus including Customer Service and post-delivery, to ensure we understand all points of the customer journey. Ensure action, based on customer feedback, is taken promptly through the Customer Focus Group
- Continue to run customer listening groups to ensure we hear and learn from our customers' experiences. Embed customer feedback and focus into our commercial, marketing and operational activities

Read more: Strategy for growth on pages 12 to 13

Colleagues

What matters most

- Our culture and values
- Well-being
- Community and the environment
- Regular communication on objectives, performance, and strategy
- Personal development and fair reward

How we engaged

- Weekly SSC and retail all-hands meetings were led by the Leadership Team, allowing us to improve communication and alignment, celebrate success, and share important messages
- We included all SSC colleagues in our half-yearly managers' conferences, ensuring all were aligned on our refreshed strategy and building relationships between different parts of the business
- We set all colleagues annual OKRs (Objectives and Key Results), ensuring they understand the role they play in delivering our strategy with regular reviews of personal performance
- We are committed to listening to our colleagues' feedback through engagement surveys. This year, we were recognised as a Great Place to Work™ for the fourth year running
- We improved benefits for colleagues, including enhancing maternity and paternity pay, sick pay, and launching a salary sacrifice electric vehicle scheme
- Our Colleague Advisory Panel meets quarterly to discuss themes which are important to colleagues, with reps from across the business. Suggestions are presented to the Leadership Team, who take responsibility for implementation

Priorities for the year ahead

- Continue to focus on improving colleague health and well-being through enhanced policies and supportive resources
- Embed regional trainer roles to support learning and development in retail and ensure great onboarding procedures for new colleagues

Read more: Sustainability, Our People on pages 25 to 29

Read more: Leadership Programme investment on page 19

Suppliers

What matters most

- Long-term partnerships
- Fair terms and conditions
- Transparency in interactions
- Growth opportunity

How we engaged

- We hosted our top 5 suppliers at our Store Support Centre, showcasing our operations and demonstrating how our strong relationships with them contribute to our joint success
- We continued to engage with our product suppliers on the topic of sustainability, gathering important knowledge of current manufacturing processes and planned environmental initiatives. Engaging with suppliers on this is allowing us to strengthen partnerships and tackle the issues of climate change and sustainability
- During the year, we increased the number of factory visits undertaken by our product and Quality Assurance teams, and attended the leading trade fairs to strengthen relationships with existing suppliers and to meet potential new suppliers
- Our product teams interact with suppliers through the year, working on new design concepts and range development, through to intake management and planning. We are open, honest, and fair in our approach, and work together to solve challenges that arise
- Our membership of Sedex allows us to work with suppliers to promote and improve ethical and environmental standards. As a B Corp certified business, we continue to set rigorous expectations with our suppliers and work with them to develop plans where needed to ensure we act together as responsible partners

Priorities for the year ahead

- Having further strengthened our Commercial team in the year, we will continue to build on our strong supplier relationships to deliver growth

Read more: Accelerate profitable sales growth on pages 14 to 15

Read more: Sustainability, Our Product on pages 34 to 35

Engaging with Stakeholders
Continued

What matters most
- Employment opportunities
- Giving back to the community
- Reducing our environmental footprint

How we engaged
- We have supported Life's a Beach, a charity which is funded primarily via the sales of the Life's a Beach product range by ProCook and proceeds from carrier bag sales. This year, it further accelerated its impact, carrying out 32 events with over 1,000 volunteers collecting 1.9 tonnes of waste from sites across the UK. ProCook colleagues participated in 8 clean-up events, removing 75 bags of waste weighing 175kgs, over 320 volunteer hours
- We have increased our charitable fundraising activities launching a colleague-nominated charity of the year, raising £21,000 for FoodCycle through colleague-led initiatives and point of sale 'round-up' donations from customers
- We have continued to provide support to our local communities for early years careers, providing more work experience, placements, and graduate opportunities in conjunction with Young Gloucestershire. We have also offered T-Level placements, and work experience to college students
- Increased the number of Good Causes Days, where colleagues can have a paid day to undertake charitable work, to two per year to encourage greater support for charitable causes

Priorities for the year ahead
- Progress with fundraising activities for our FY26 colleague-nominated charity of the year, Magic Breakfast
- Raise the profile of our Good Causes Days amongst colleagues to encourage greater participation

Read more: Sustainability, Our People on pages 25 to 29

Read more: Life's a Beach case study on page 33

What matters most
- Strategy development and execution
- Value creation and return on investment
- Strong governance and sustainability

How we engaged
- We transitioned to physical/virtual Annual Results and AGM formats allowing more shareholders and potential shareholders to attend the events and to improve two-way dialogue, including Q&As with retail investors
- The Annual General Meeting ("AGM") provides the Board's primary opportunity to interact with shareholders. At the AGM last year, approximately 74% of shareholders votes were received for the resolutions tabled and were represented at the meeting
- We accelerated our growth strategy and trading performance in line with our medium-term plan, to deliver profitable and sustainable growth for shareholders
- Our website www.procookgroup.co.uk provides information and latest news updates for our investor community, including video recordings of our results presentations

Priorities for the year ahead
- Continue to improve awareness of ProCook amongst the retail investor community through greater direct engagement and financial PR

Read more: Board activities on pages 76 to 79

Read more: S.172 statement on pages 80 to 81

Strategy for growth

Our refreshed strategy for growth, which we set out last year, provides clarity and focus on the steps required to accelerate the achievement of our mission of becoming the UK's number one kitchenware destination, and delivering sustainable value growth for all of our stakeholders.

Our strategic initiatives

1 Accelerate profitable sales growth

Leverage our existing business model to capture market share and drive profitable growth

Expand our store network

Enable more customers to shop in our stores throughout the UK, with disciplined payback criteria as we accelerate towards 100 profitable stores

Strengthen our product offer

Create more reasons to shop with us with extended ranges and improved seasonal and promotional product, broadening our appeal and inspiring more customers

Best-in-class omnichannel customer service

Always put the customer first to drive improved service and a seamless experience in-store and online

Grow brand awareness and customer engagement

Help more new customers discover ProCook and encourage more existing customers to shop with us again

2 Improve operating efficiency

Build on our strong foundations to ensure we stay lean and agile, with strong cost discipline as we grow sales volumes

Supply chain transformation

Make our operations more efficient to deliver better service and availability for customers at lower cost

Resilient and scalable technology solutions

Trusted technology which is easier for customers and colleagues to use

Operate with cost discipline

Continuously identify and implement cost improvements and efficiencies

3 Create a great place to work

Develop our people and culture to accelerate performance

Develop our people

Customer service, product knowledge and leadership training to deliver our growth ambition

Building a high-performance culture

Adapt our culture to move with more pace and urgency, delivering together as one team

4 Be a force for good

As a responsible retailer we are committed to doing the right thing

Reducing our environmental footprint

Deliver on our commitment of Net Zero by 2040 to help protect our planet

Caring for our communities

Support the local communities in which we operate, for the good of society as a whole

1 Accelerate profitable sales growth

Increasing our customer base and driving profitable sales growth is our primary strategic objective, scaling our existing business model to better leverage our fixed cost base and improve operating profit margins.

Expand our store network

Enabling more customers to shop in our stores

Over the last year, we have made strong progress, opening 12 new stores in popular retail destinations, improving our UK retail coverage. Our medium-term target of 100 retail stores in the UK is based on a comprehensive data-driven study, which we completed in FY24. This study highlighted that the existing 57 ProCook stores at the time, served just 36.5% of UK population catchments and had limited presence in key shopping centres throughout the UK, including many large cities with high retail densities. Additionally, our retail mix of 63% of total revenue remains lower than the UK market[1] average of 72%).

With 66 stores open and trading at the FY25 year-end, there remains a significant opportunity to grow our market share and deliver profitable sales growth from new stores themselves, combined with the online halo effect benefit, while also building brand awareness across the country. We will seek to open an average of five to ten new stores each year as we expand our network.

Alongside this expansion work, we have completed a re-design of our store format, adding more inspiration, and improved quality perception, while also enhancing self-service merchandising for our customers. We expect to launch our first new format store during Q2 FY26.

1 GfK Kitchenware market data

12
New UK retail stores opened in FY25

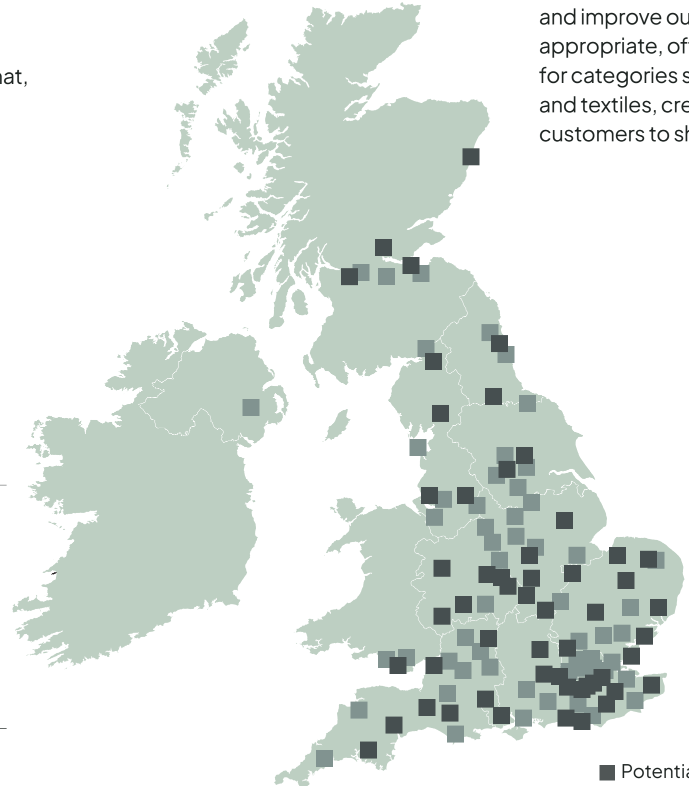
2Y
Anticipated payback period for FY25 cohort of openings

Disciplined investment criteria to enhance value creation

Opening new stores is an efficient and cost-effective activity, which we have improved over many years, enabling us to open a new store, typically, within four to six weeks of access with an average capital investment of £300k per new store.

We monitor post-opening performance against our robust investment criteria and hurdle rates (Contribution and operating profit margins, Payback and Net Present Value) for each new store.

We will continue to apply discipline to reviewing the existing retail stores, and where performance does not meet our criteria, we will take appropriate action to make improvements or, where necessary, to close an existing store. During FY25, we closed three smaller garden centre stores, where performance did not meet our criteria.



Strengthen our product offer

Growing market share through category expansion

The UK kitchenware market is worth approximately £4bn each year, with our share increasing year on year by 8%, however remaining at approximately 2% of the total market size. The UK market for small kitchen electricals is worth approximately £1bn. The largest category segment of the combined market is tableware, which we began expanding into during 2018, and see opportunity to continue our expansion though range improvements and extensions.

In the last two years, we launched small kitchen electricals with phases three (including bread makers, pizza ovens and ice cream machines) and four (coffee machines) launching in FY25. Sales performance of this new category is encouraging and we anticipate it will continue to grow as more customers become aware of our extended offer.

We believe there is significant opportunity to grow market share in existing categories in which we under-index compared to the market, and we will continue to refresh and improve our product offer, and where appropriate, offer online extended ranges for categories such as tableware, baking and textiles, creating more reasons for customers to shop with us.

Adding more seasonal relevance and promotional inspiration

Our analysis of market data highlights that there is opportunity to grow our market share through increased seasonal relevance outside of our peak trading period. We have begun to add more seasonal products and campaigns at different points in the year including Autumn 2024, Spring and Easter 2025, adding inspiration and freshness to our offer. We plan to continue to build on this, creating more marketing opportunities and reasons for customers to browse our ranges.

We have continued to develop our trading plan and product mix to maximise demand-capture at peak periods by adding further promotional mechanics and inspiration which resonated well with customers during Black Friday 2024 and January Sale 2025. We see further opportunity to develop our special buy promotional programme, providing limited edition ranges and great value deals for customers to shop outside of the core range during key trading periods in the year.

Building stronger relationships with suppliers

Our strong supplier relationships support our direct-sourcing model, and this last year we have made good progress to strengthen relationships further with key suppliers. We have taken initial steps to consolidate more sourcing activity with our top suppliers, who manufacture products to our design specifications, many of whom we've worked with for many years. We will continue to develop these trusted relationships to improve product innovation and supply chain efficiency.

1.6%
Estimated share of UK kitchenware and small kitchen electricals combined market[1]

1 Euromonitor market data and management estimates

Case Study

FY25 new store openings

We successfully opened twelve new stores in the last year, with nine opened before our peak trading period, and a further three opened in the final quarter of the year, adding over 34,000 square foot of new retail selling space.

Located in popular retail destinations, including both shopping centres and prominent high street locations, the location visitor numbers are in excess of 150 million per annum, providing a significant brand awareness building opportunity and over two million additional new customer footfall into our retail network each year. Our initial read on the online halo effect of the new stores is positive, with customers within a ten mile radius of a new store opening spending more online too, adding an extra 7% of the store's retail sales to our Ecommerce channel revenue.

Early indications of the FY25 new stores performance are that together they will add approximately £10m of retail revenue when fully mature, which we expect to be within two to three years from opening. With a total capital investment of £3.8m, we anticipate they will achieve an average payback of two years.

1 Accelerate profitable sales growth continued

Deliver best-in-class omnichannel customer service

Putting the customer first to drive improved service and a seamless experience across in-store and online

Retail service excellence

Our retail service is a key point of difference compared to other retailers in our sector. As a kitchenware specialist and own-brand retailer, we have the opportunity to assist and delight customers in-store, helping them choose the right products for them, and understanding how best to use them in their homes.

After making good progress with colleague scheduling in the last year, we are now ensuring that the right number of colleagues are in each store at the right time of the day to maximise service levels as visitors numbers change through the day. Our use of customer surveys at checkout to collect Net Promoter Score ("NPS") feedback is now well-embedded and helps us identify and focus on areas where we can improve.

We have appointed two new regional training roles to support our retail teams with training and development, to ensure that all store colleagues receive sales training and become experts in all of our products, accompanied by additional store manager training.

In the year ahead, we expect to make further progress in our service levels in stores helping to improve conversion and average spend as our new Retail Director brings refreshed energy and focus to our store teams and builds a high-performance culture that more effectively recognises, celebrates and rewards success.

Enhancing user experience online

With most customers now researching and shopping across channels, we must continue our work to create an even more seamless omnichannel experience. Our website platform attracts over 10m customer visits per year, and is used by customers to not only make a purchase, but also to research products, compare pricing, and find recipes and "how to use" and product care guides.

Using NPS measured on checkout, we are acting on feedback from customers' actual experience online to inform our development priorities. In the last year, we have added further payment options, improved the website navigation, added more seasonal inspiration, launched e-gift cards (for use in store too) and improved basket tokenisation to assist returning customers.

We will continually identify and deploy improvements and innovations for customers throughout the year ahead, as there is much we can still do to enhance the user experience for customers through technical developments, inspiration and visual merchandising, and removing points of friction in the purchase and delivery journey.

4.8

Trustpilot excellent-rated score with over 135,000 5-star reviews

Consumer trends

Cost of living

Continued economic uncertainty and cost of living pressures have impacted consumer spending, and luxury spending has given way to a more value-focused approach. Customers are taking a more cautious approach, with more careful research, both online and in-store, and consideration before committing to purchasing.

Customers who may have planned to upgrade their kitchens may delay such aspirations as a result of the current squeeze on household finances. While this is often a trigger for customers to revisit their kitchenware, the opposite also holds true as customers can treat themselves to smaller kitchenware items in their existing kitchen set-up to improve their cooking experience.

Sustainability

Consumer awareness and focus on sustainability continues to increase and as consumers seek to reduce their carbon footprint, sustainable homewares are likely to be preferred by some customer segments. Those who are more eco-conscious, may prioritise quality over quantity, seeking durable items that are built to last. Responsible sourcing and production is likely to become a bigger factor influencing purchasing decisions. More affluent consumers, who have the financial capability to make more sustainable choices, are more likely to opt for sustainable products that blend style, functionality, longevity and environmental responsibility.

Shopping as a social activity

Post-pandemic, the shift back to retail stores has been pronounced, with Ecommerce volumes returning to pre-Covid trend lines. Consumers have noticeably returned to in-person shopping experiences, especially for homewares stores. One driver of this change is the social aspect of shopping for homewares, which provides customers the ability to touch and feel, and seek advice on their purchases. The quality of the in-store experience and inspiration this provides is, therefore, becoming increasingly important.

Trend-driven products

As consumers increasingly place more value on experiences, they are also choosing high-quality, durable and easy-to-use cookware to elevate their cooking experience both for day-to-day cooking and special events. Consumers are increasingly drawn to trend-led products that reflect their style choices and kitchenware, especially dinnerware, is being increasingly fashion and design-led.

Given the space constraints in many UK homes, customers are increasingly interested in space-saving kitchenware items that can be stacked or nested within each other to save space in the kitchen cupboards, without compromising on quality. Stackable pan sets, storage solutions and kitchen electricals with multi-functionality are becoming increasingly popular.

Grow brand awareness and customer engagement

Helping more new customers discover ProCook

55% of adults shop kitchenware once every six months, with 8% shopping frequently at least once every three months[1]. Maintaining front-of-mind awareness within the higher frequency groups is, therefore, very important, even when customers are not actively in market.

During the last year, we have made good progress in raising awareness through the opening of 12 new stores, each with bespoke local marketing campaigns. Our increased prominence on social marketing channels led to growth in website traffic, which originated from paid social advertising, of over 130% year on year. Our improved use of social marketing, alongside a robust audit and improvement plan completed for other paid marketing activities, and our new attribution approach, has supported improved marketing efficiency, reducing our cost per acquisition significantly for the second half of the year.

Our marketing content design capabilities have been strengthened and our brand tone of voice and personality is now more prominent in messaging both in store, online and through other media channels, and this is resonating well with customers. We have launched a new rolling cycle of surveys, which are helping us measure and understand customer and brand health metrics, and, over time, this will provide comparatives to determine the level of progress made.

Last year, our L12M active customer base increased by 8% to a record 1.13 million and we attracted a record 737k new customers to shop with us in the last year (+7% year on year). However, we believe there remains a significant opportunity for us to continue to grow awareness in the years ahead. Following the progress made in FY25 in paid social marketing and our improved understanding of marketing attribution, we will be further strengthening our content creation capabilities, to provide more inspirational and better-converting content to more existing and potential customers.

1 YouGov Survey 4,321 participants (January 2024)

Encouraging more existing customers to shop with us again

With a larger active customer base, and greater ability to attract new customers, we also have the opportunity to encourage existing customers to shop with us again and this presents a significant prize. With relatively low repeat purchase rates, in both web and retail channels, we have the opportunity to treat our high-frequency and highest spending customers differently and further improve our loyalty and advocacy capabilities.

In the last 12 months, we have grown our organic social channel followers by 29% across Meta and TikTok, in particular, increasing reach by over 150% year on year, and we plan to build on this in the year ahead. Our email database continues to grow and is a rich asset for us to better utilise. Our team has made good progress in better segmenting our customers, running tests to determine propensity to purchase and understanding which products or discounts resonate best. Looking ahead, improving personalisation and targeting across different marketing channels, including in stores, will help us further improve repeat rates and lifetime value.

1,130k

L12M active customers, +8% year on year

>130%

Increase in social marketing-initiated website traffic year on year

29%

Increase in followers on ProCook social media channels in FY25

2 Improve operating efficiency

Combining profitable sales growth with a continued focus on delivering cost efficiencies will further improve operating margins over the medium term. We are committed to building a better business for all stakeholders.

Supply chain transformation

We have made good progress against the planned supply chain transformation scope, which we set out last year, introducing a new delivery provider with reverse logistics capability, transitioning to cage-based deliveries to stores, launching hand-held terminals in store for improved stock management and stock file accuracy and testing increased delivery frequency to reduce stock cover in stores.

This multi-year programme will continue with further work in FY26 to review and test amended on-shelf display quantities and merchandising to optimise availability and support self-service for customers, as well as progressing a review of product pack-sizes, weights and dimensions to optimise container fill and warehouse pick efficiency. We are also planning ahead for greater volume throughput and capacity in our warehouse, ensuring that demand can be fulfilled in the most efficient manner possible.

14%

Increase in Ecommerce orders packed per hour in FY25

Resilient and scalable tech solutions

During FY25, our technology team have completed a series of important initiatives to improve functionality for customers and colleagues. Key programmes of work have included the website and warehouse management system improvements, implementing new hand-held terminals for retail store colleagues for improved stock management and customer availability, integrating a new marketing attribution tool and a new A/B website testing tool, launching e-gift cards, and preparing the integrations for the relaunch on Amazon Marketplace during the early part of the year. Continued focus on security and resilience has resulted in further improvements delivered during the year.

Additionally our technology roadmap has been revisited, setting out the steps we will take to upgrade elements of our architecture, carving out functionality where appropriate from current systems to more modern technology solutions, which will support improved flexibility and user experience.

In the next 12 months, development effort will largely focus on website initiatives to improve customer experience, customer service improvements in store and for our contact centre team, and the technical developments required to prepare for the planned architecture changes over the years ahead.

Operate with cost discipline

During FY25, we continued with our programme of cost improvements with a series of initiatives, including helping to improve marketing efficiency with new bot-reduction technology, improved our home delivery carrier rates through negotiations with suppliers, and worked with third-party procurement consultants to review our cost base and contracts.

As we continue to focus on improving operating margin, continual focus in this area is required, and, in the year ahead, we anticipate being able to make further improvements, including reducing home delivery packaging costs through box optimisation, and generating income from improved waste management and product returns.

>99.9%

Total system availability for colleagues and customers

3 Create a great place to work

We are committed to making ProCook an even better place to work, raising colleague engagement, and improving customer experience as a result. Adapting our culture to be more performance-focused, will ensure that we operate with pace and agility to execute our strategy.

- Always do the right thing
- Obsessed with quality
- Focused on value
- Create a great place to work
- Care for our community and planet
- Build a better business

30

Colleagues trained to date on our leadership development programme

Developing our teams and our leadership capabilities

With our new regional trainers appointed, our focus this year will be on rolling out more training and development across our retail teams. This is being supported by leadership training for our retail store managers, who will all attend a condensed version of our leadership development programme during the first half of the year. The full leadership development programme will continue to run for managers and aspiring leaders in our business having now trained 32 colleagues so far.

Our approach to talent management and succession planning in retail is being improved, and will be an area of focus in the year ahead, ensuring that we can provide meaningful career development opportunities for colleagues who have the aspirations to progress in their roles as our business grows, and ensuring there is strong leadership available at all times across our expanding store network.

Building a high-performance culture

With robust annual personal objective setting and appraisal review processes established, including the linking of personal reward to performance, which is assessed against strategic Objectives and Key Results ("OKRs"), which have been flowed through each function in the business, we will continue to raise the bar around high performance. We anticipate that the enhanced bonus schemes planned for the year ahead will incentivise further improvements.

The new Leadership Team meeting cadence and management information supports thorough review of both trading performance and strategy execution and, through our weekly huddles and monthly town halls, we will continue to communicate with all colleagues, ensuring we are collectively working together to execute our strategy.

4 Be a force for good

As a responsible retailer and a B Corp, we aim to be a force for good in our sector and for our communities, while reducing our impact on the environment.

83%
Reduction in Scope 1 and 2 Emissions Intensity (Tonnes of CO_2 per £1m revenue) between FY19 to FY25

773
hours volunteered to good causes by our colleagues in the last year

Reducing our environmental footprint

We are committed to delivering on our plan to achieve Net Zero by 2040 to help protect our planet and, in recent years, we have made substantial progress in reducing Scope 1 and 2 emissions and mitigating the remainder through our partnerships with the Woodland Trust and Ecologi. Our energy use has reduced by 51% since FY19, while our revenue grew by 150% during the same period. We continue to focus on reducing emissions further and, in FY25, we completed the transition to 100% usage of green energy across our business.

Tackling emissions in Scope 3 areas is more challenging, as much of this is not directly in our control; however, we are progressing eight initial priority actions in conjunction with our suppliers that will support progress in the years ahead.

- Policies
- Data quality
- Environmental management system ("EMS")
- Engage suppliers
- More efficient property
- Engagement and education
- Reduce and recycle packaging
- Travel

Caring for our communities

We are committed to creating meaningful employment opportunities in the communities we operate in and expand our reach through greater store presence, creating more job opportunities across the UK. We remain committed to paying at least the Real Living Wage and we have continued to enhance our total reward package for colleagues in the last year.

Our support for FoodCycle last year, as our colleague-nominated charity, raised over £21,000 for the important work they do to reduce food poverty, loneliness and food waste. Together with our ongoing support for Life's a Beach and Young Gloucestershire, we raised over £70,000 (a 75% increase from FY24) and provided 773 hours of colleague volunteering time through our Good Causes Day, which we offer all colleagues the opportunity to participate in.

In the year ahead, we will begin to work with Magic Breakfast, our FY26 colleague nominated charity by raising funds and supporting their activities with our colleague volunteering. Magic Breakfast support over 300,000 children and young people everyday, tackling hunger in schools to make sure no child or young person is too hungry to learn.

We will also continue with the provision of work experience opportunities and CV and interview preparation workshops led by our colleagues, for those in our communities with barriers to employment, and for students seeking to develop their employability skills.

Case Study: Our B Corp journey

"Becoming a B Corp is not just about certification, it is about an ongoing commitment to doing business better, and inspiring others to join us in making positive changes"

Since becoming a certified B Corp in September 2022, we have been committed to driving positive change and embedding sustainability and responsible business practices into everything we do. Certification was just the beginning of our journey and over the past two years, we have taken meaningful steps to enhance our social and environmental impact. As the first FTSE retailer and among the first 1,000 UK businesses to achieve certification, we aim to set a positive example for our industry and beyond.

Our progress and impact

Continuous improvement is at the heart of our approach, using the B Impact Assessment to guide our progress in five key areas: governance, workers, community, environment, and customers. On initial certification, we achieved 80 points, and through targeted initiatives, we have increased our score reflecting our ongoing efforts in fostering an inclusive workplace culture, deepening community engagement, and advancing environmental responsibility. As we prepare for recertification in September 2025, we remain focused on driving further improvements.

Creating a thriving workplace

In the past year, we have launched our second colleague network group, focused on Health and Well-being, building on the success of our LGBTQ+ and Allies group. These networks have helped shape well-being initiatives and foster a more inclusive culture. We marked National Inclusion Week with external speakers and workshops on key topics such as disability, men's health, menopause, and neurodivergence.

Our internal engagement efforts have strengthened, with regular colleague surveys and our Colleague Advisory Panel identifying key focus areas for improvement, which we have since addressed, such as shift work patterns and parental leave policies. Communication has also improved, with weekly huddles and periodic business updates where our Leadership address anonymous questions, reinforcing transparency and trust.

For the fourth consecutive year, we have been certified as a Great Place to Work, with our Trust Index score rising to 78%. We also continue to uphold our pledge to fair pay as an accredited Living Wage Foundation employer.

Certified B Corporation

Strengthening our community and environmental commitment

Beyond workplace initiatives, we have deepened our community and charitable engagement. We have supported colleague-nominated charities, hosted career development sessions with Young Gloucestershire, and participated in national fundraising efforts. Our commitment to environmental stewardship remains strong through our partnership with Life's a Beach, leading beach cleans, litter-picking events, and school programs to raise awareness of single-use plastic pollution.

We celebrated Pride Month by inviting colleagues to share personal stories on what Pride means to them, fostering a culture of belonging. Additionally, we have strengthened collaborations with local B Corps, hosting our first B Local networking event at our Store Support Centre and we were invited to speak at the South Gloucestershire Business Show as a panellist for B Corp, highlighting our holistic approach to sustainability, knowledge-sharing and reinforcing our shared mission of using business as a force for good.

Looking ahead: our future commitments

As we continue our B Corp journey, we remain dedicated to strengthening our sustainability and people strategies while further increasing our B Corp score. We are focused on reducing our environmental footprint across our operations and supply chain, enhancing data collection, and lowering emissions to drive meaningful change.

Becoming a B Corp is not just about certification, it is about an ongoing commitment to doing business better. We are proud of our progress and will continue to innovate, improve our practices, and inspire others to join us in making positive changes.

Read more: Our B Corp Impact Report 2024 is available at www.procookgroup.co.uk

Sustainability

ProCook
Doing the right thing

Our People
Creating an even better place to work

Our Planet
Reducing our environmental footprint

Our Product
Helping our customers make more sustainable choices

As a certified B Corp, we are committed to doing business better. This year, we have continued to take action to positively impact our people and community, while minimising our environmental footprint. With ambitious goals, including a commitment to achieving net zero by 2040, we are continuously evolving our approach and working collaboratively with stakeholders to drive lasting change.

We recognise sustainability as a core responsibility and are committed to making meaningful progress each year, both socially and environmentally. Doing the right thing is one of our values, and this year, we've continued to embed this value into all that we do, including fostering an inclusive and supportive workplace. We have made strong progress, having achieved the Great Place to Work™ certification for the fourth year running, with 83% of our people saying they are proud to work for ProCook.

We remain focused on reducing our carbon emissions, refining our operations, processes and strategies to further progress towards our Net Zero target of 2040.

Positively impacting our communities is important to us, and we have continued to strengthen our community relationships. This year, we introduced our first Charity of the Year, with colleagues voting to select FoodCycle as the charity they wished to support. We have continued to build stronger links with Young Gloucestershire, holding mock interview events in our Store Support Centre for disadvantaged local young people to help improve their confidence, motivation and skills to improve their lives.

This year, we have placed a stronger emphasis on diversity and inclusion, achieving recognition as a Disability Confident Leader, and hosting colleague educational mornings to celebrate National Inclusion Week.

Our journey towards a more sustainable and ethical future remains a top priority as we continue to grow, investing in the right tools, strategies and technology we aim to enhance our positive impact. This section outlines our key achievements, challenges and future priorities as we strive to be a more responsible retailer.

People, product and planet

As a certified B Corp, we are committed to continually improving our sustainability across all aspects of our business, in order to reduce our environmental footprint, and give confidence to our stakeholders that we are doing the right thing.

Over the past year, we have taken additional steps to further embed sustainability into our core business practices. Prioritising supply chain management and deepening colleagues' understanding of our ESG framework has enabled us to improve operations and create lasting value for all stakeholders.

We are improving both social and environmental transparency and accountability. Leveraging insights from life cycle assessments of three core products, we have taken steps to increase the level of recycled content in our cardboard packaging, ensuring durability while reducing carbon emissions. Our commercial team has spent valuable time visiting suppliers and collaborating with them to advance these initiatives.

We actively encourage our colleagues to embrace more sustainable practices, reinforcing the importance of doing what's right for both the community and the planet. At ProCook, two of our core values, '**always do the right thing**' and '**care for the community and planet**' are directly aligned with our sustainability ambitions. With the launch of our new People and Welcome portals in spring 2025, we will further embed these values into the colleague journey from day one, promoting better alignment across our teams. This approach will strengthen our commitment to acting with integrity, reducing our broader social and environmental impact, and delivering long-term value for all stakeholders.

Our People – Creating an even better place to work

Link to principal risks

Brand and customer
People and culture

Link to strategy

3 Create a great place to work
4 Be a force for good

Key stakeholders

Customers
Colleagues
Communities

Link to the United Nations Sustainable Development Goals

Recent recognition, awards, and memberships

- Great Place to Work Certified™ (December 2024)
- Real Living Wage Employer
- Disability Confident Leader
- UK's Best Workplaces™ 2024

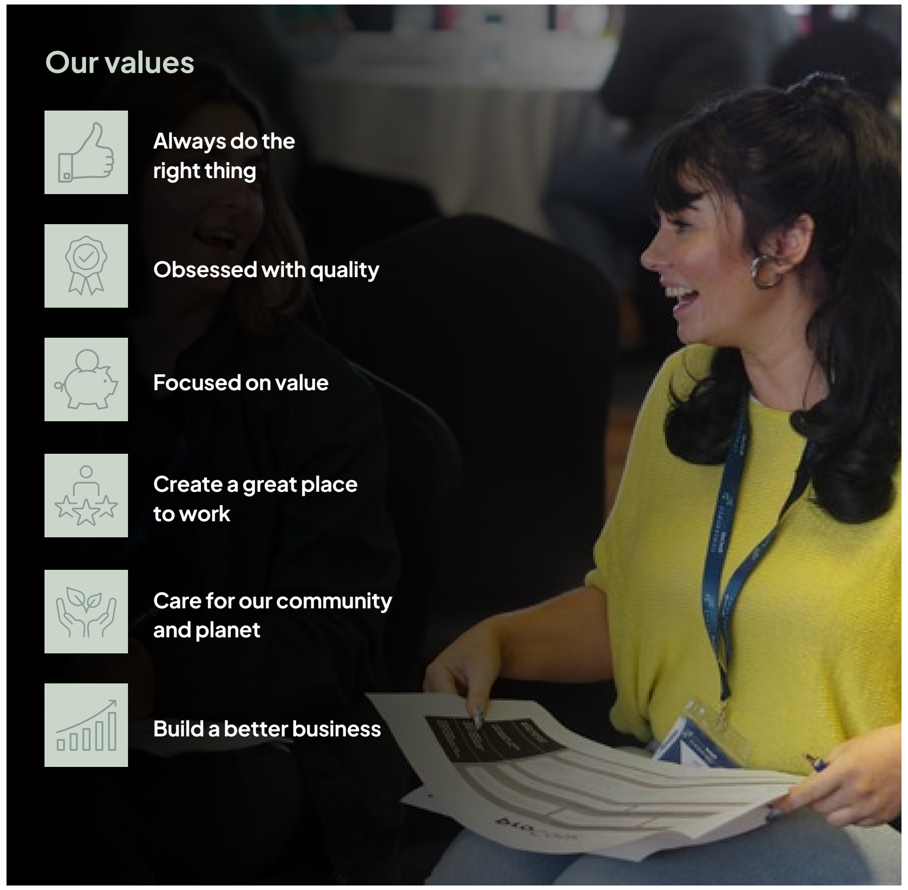
At ProCook, we encourage an open and honest culture, with a focus on doing the right thing.

We know that fostering a workplace where everyone feels valued and empowered is crucial for our people and our business to thrive. Our roots as a family business continue to shape our culture and values, guiding us as we work towards a more sustainable future.

We actively encourage colleagues to share their ideas, concerns, and feedback in a constructive way and, through collaboration, we help to drive positive outcomes. We recognise the importance of development and celebrate individual and collective achievements; because every contribution matters.

We are proud to be a Real Living Wage employer and support colleagues in giving back through initiatives such as Good Causes Days, which we have recently increased to two fully-paid charity days per year per colleague. Our partnerships with Life's a Beach and FoodCycle have been great for team building, fundraising and boosting morale. This year, we were pleased to have been recognised as a Disability Confident Leader, joining just 20 other UK retailers with this certification, and we invested in further colleague development opportunities, including a six-month leadership training course for the first cohorts of managers throughout the business, following the launch of the programme last year for our Heads of departments.

Creating a workplace in which colleagues can be themselves and feel supported is important to us and reflects our ongoing commitment to colleague well-being and development. Each year, we invite all colleagues to take part in the Great Place to Work™ survey, which provides us with valuable insights into our workplace culture. We're thrilled to have been certified as a Great Place to Work™ for the fourth consecutive year. These insights help us identify opportunities for growth and improvement, ensuring we continue make our workplace even better for everyone.



Our values

- Always do the right thing
- Obsessed with quality
- Focused on value
- Create a great place to work
- Care for our community and planet
- Build a better business

Sustainability Continued

96%
People here are treated fairly regardless of their sexual orientation
flat YoY

94%
People here are treated fairly regardless of their gender
+1 YoY

94%
People here are treated fairly regardless of their race or ethnic origin
+1 YoY

83%
I'm proud to tell others I work here
+4 YoY

Source: GPTW survey December 2024

Diversity, equality, and inclusion

We value the individuality of each colleague, recognising that diverse backgrounds, skills, and experiences make us a stronger team. Our aim is to create a safe and welcoming workplace in which all colleagues can succeed, and we actively embrace different perspectives, cultures and experiences, knowing that inclusivity drives innovation and collaboration. We want to ensure all colleagues feel respected, valued, and empowered to succeed.

Raising awareness and providing education are key to embedding diversity, equity, and inclusion into our culture. Through our development training platform, we offer ongoing learning opportunities that encourage open conversations, challenge biases, and promote greater understanding. This year, we have made positive steps towards greater inclusivity through a variety of initiatives, including celebrating National Inclusion Week and launching a second colleague network group focused on Health and Well-being, encompassing mental health, neurodiversity and disabilities. This year we have also been recognised as a Disability Confident Leader.

Read more: Our Diversity, Equality and Inclusion Policy is available at www.procookgroup.co.uk

Gender and ethnicity pay gap

We are committed to fair reward for all colleagues and achieving gender pay equality across all levels and pay grades in line with the legislation of the Equality Act 2010 requirement of "equal pay for equal work".

Read more: Our Gender Pay Gap Report is available at www.procookgroup.co.uk

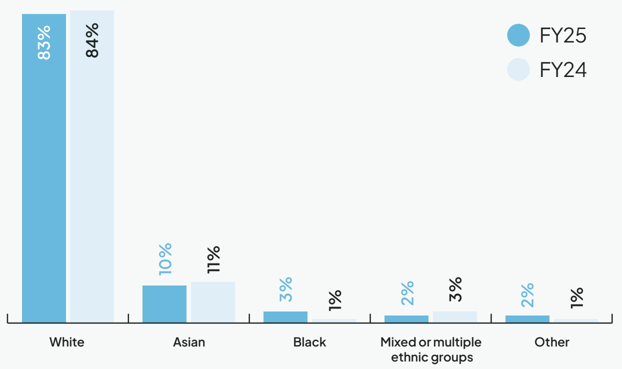
Colleagues split by gender, age, and ethnicity

Colleagues by gender	FY25	FY24
Female	66.6%	65.9%
Male	32.5%	32.9%
Non-binary	0.3%	0.3%
Other/Prefer not to say	0.6%	0.9%
Board Directors – Female[1]	16.7%	16.7%
Board Directors – Male[1]	83.3%	83.3%
Leadership Team – Female[1]	57.1%	57.1%
Leadership Team – Male[1]	42.9%	42.9%

Colleagues by age group	FY25	FY24
Under 18	4%	4%
18-24	30%	28%
25-34	22%	23%
35-44	15%	15%
45-54	15%	16%
55-64	11%	12%
65+	3%	2%

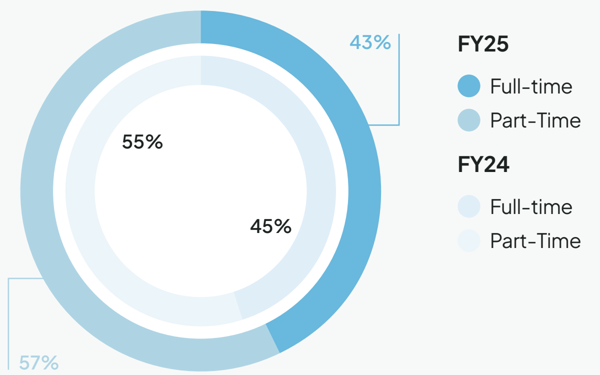
1 FY25 presented as at year-end and is consistent as at the date of this report, and FY24 presented as at 25 June 2024, the date of last year's report. At the FY24 year-end date, females represented 40% of the Leadership Team and 0% of the Board Directors.

Colleagues by ethnicity[2]



2 Ethnicity information collected from voluntary colleague surveys.

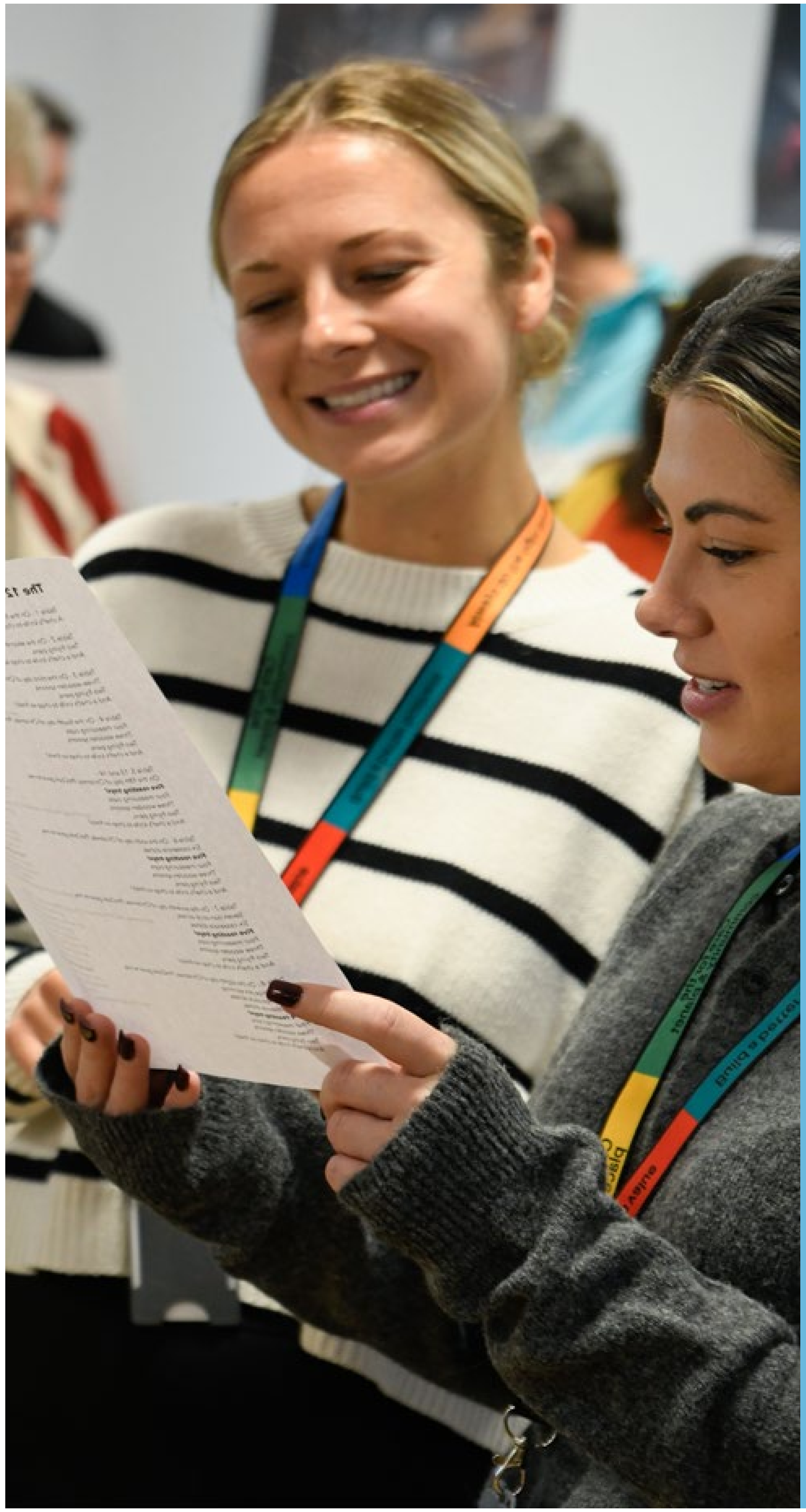
Colleagues by full time / part time roles



Our Commitments	How we deliver on our commitments	What we are focused on next
We are committed to creating a great place to work, listening to colleague feedback to make continual improvements	• Bi-annual manager conferences to educate, inspire and engage colleagues on new product, business developments and performance updates • Clear action plans and progress updates from colleague engagement surveys • Monthly colleague "Green Team" meetings to identify and implement sustainable initiatives across the business, participants act as 'sustainability champions' • Quarterly Colleague Advisory Panels to capture feedback and opportunities for improvement • Weekly update huddles to communicate key messages, celebrate successes and respond to colleague questions • Annual colleague objective setting and appraisal processes to support personal development • Certified as a Great Place to Work™ for the fourth year running with 17%pt improvement in participation rate **NEW in FY25** • Investment in leadership development programme for heads of departments and managers **NEW in FY25** • Launched a "Talk to Lee" virtual suggestions box for colleagues to confidentially provide feedback and ideas to help make ProCook an even better place to work **NEW in FY25** • Monthly recognition of exceptional colleague contributions **NEW in FY25** • Learning and Development Manager hired to facilitate a smooth onboarding process and facilitate provision of colleague development programmes **NEW in FY25**	• Continue to focus on improving colleague health and well-being through increased supported policies and resources • Introduce a product trainer role to support learning and development in retail and ensure great onboarding for rapidly expanding new stores • Introduce HR newsletter covering new policies, legislation changes, seasonal activities and key awareness days • Relaunch new, easy-to-navigate HR SharePoint with new and updated training guides and polices • New ProCook HR self-service portal to aid efficiency, displaying company announcements, organisational charts and colleague well-being pulse survey
We are committed to supporting the communities in which we operate	• Raise funds and awareness for our long-standing charity partner Life's a Beach through designated reusable product range, education programme and national litter picking events • Contribute and donate products to local community groups, charities, and schools • Provide T-Level placements and work experience for local college students to learn 'on-the-job' and vocational skills • Support Young Gloucestershire with their work to help develop disadvantaged young people on the King's Trust programme • Increased our company wide Good Causes Day initiative from one to two days per year to support charitable activities, on top of Life's a Beach volunteering **NEW in FY25** • Introduced the colleague-nominated charity of the year initiative increasing fundraising and teambuilding through various charitable activities **NEW in FY25** • Awarded Disability Confident Leader status, the highest level of the certification **NEW in FY25** • Till point "round-up" charity donations introduced in store, enabling customers to support our charity of the year **NEW in FY25**	• Strengthen community links nationwide and explore store-by-store charity options to donate returned, lightly used product • Develop charity of the year partnership enhancing fundraising targets and colleague engagement

Sustainability Continued

Our Commitments	How we deliver on our commitments	What we are focused on next
We will continue to be a Real Living Wage employer and champion equality, diversity, and inclusion	• Committed to the Living Wage Foundation as a Real Living Wage employer • Target equal pay across genders and comparable role levels • Provision of Whistleblowing Policy and procedures ensuring colleagues feel safe to report issues in confidence if necessary • Linked total reward opportunity to personal performance to incentivise personal development and progression • Diversity, Equality, and Inclusion Policy established and recognised as an Inclusive Employer by Inclusivity Works, for our flexibility and inclusive recruitment practices for neurodiverse candidates • Launched colleague-led Health and Well-being network group sponsored by the Leadership Team to promote well-being initiatives across the business **NEW in FY25** • Overhauled retail uniform provision to better meet colleagues' needs and address feedback **NEW in FY25**	• Extend our provision of work experience opportunities and launch CV and interview preparation workshops led by our colleagues, for those in our communities with barriers to employment, and for students seeking to develop their employability skills • Launch further colleague network groups to provide support and share ideas, including in areas such as neurodiversity, or women in business
We provide a safe and collaborative working environment	• Comprehensive Health and Safety policy and procedures with compliance monitoring to ensure a safe environment for everyone • Custom designed Store Support Centre with room for growth and ample meeting and collaboration spaces • Launched new colleague portal to ensure policies made available to all, and to aid knowledge sharing **NEW in FY25** • Encouraged colleagues to share what Pride means to them, amplifying their voices internally and fostering greater engagement and inclusivity **NEW in FY25**	• Continue to monitor H&S procedures across the Group, making further improvements where identified and considered necessary • Explore using pulse surveys on new People portal to capture real-time colleague well-being data • Launch new starter orientation hub with everything you need to know about starting at ProCook to improve the onboarding process
We take the wellbeing and personal development of our colleagues seriously	• Provide a comprehensive learning and development e-platform to support personal development • Colleague gym on-site at our Store Support Centre • Support colleagues business-wide to complete Mental Health First Aider courses • Prioritise and monitor internal promotions across our business ensuring transparent selection criteria • Continually develop our learning and development capability to support personal and business performance • Annual Well-being Calendar to raise awareness and provide resources to support colleagues • Comprehensive Employee Assistance Programme for all colleagues and their families • Retail career progression and development matrix, with prescribed training for each role level to ensure all colleagues receive comprehensive and high-quality training • Annual succession planning process to identify and develop talent for the future • Relaunched fertility and pregnancy loss policy with enhanced support for colleagues that need it **NEW in FY25** • Focused on leadership development, completing our first cohort of training for Heads of departments **NEW in FY25**	• Roll out our leadership development programme across cohorts of managers through the year • Explore further well-being options to boost our offering for colleagues • Introduce a private healthcare benefit for managers across the business • Provide each store with specific learning tablets to support colleague training and development • Introduce tiered learning for different seniority levels across the business • Develop retail training capabilities, including the recruitment of regional trainers



Case Study

Disability Confident Leader

In August 2024, we were proud to achieve Disability Confident Leader status, the highest level of the UK Government's Disability Confident scheme.

This milestone places us amongst just 20 retailers and 632 organisations nationwide (at the time of award) that have demonstrated a strong commitment to fostering an inclusive workplace for disabled colleagues.

Our success in achieving this is a testament to all colleagues, and our proactive and positive approach to attracting, retaining, and developing disabled talent. Key initiatives that contributed to our status include:

- Guaranteeing interviews for disabled candidates who meet the job criteria
- Ensuring our recruitment processes are fully accessible and tailored to individual needs
- Providing work trials and opportunities through partnerships with local community groups and disability charities

Our retail stores have embraced our inclusive commitment, adapting recruitment and training processes while making reasonable adjustments to daily operations to support disabled colleagues.

This achievement reflects our ongoing dedication to inclusivity, ensuring that every individual has the opportunity to thrive at ProCook. Moving forward, we will continue to build on this foundation, further strengthening our workplace accessibility and championing disability inclusion across our business.

disability confident LEADER

Sustainability Continued

Our Planet – Reducing our environmental footprint

Link to principal risks

Climate change

Brand and customer

Regulatory compliance

Link to strategy

1 Accelerate profitable sales growth

2 Improve operating efficiency

4 Be a force for good

Key stakeholders

Customers, Colleagues, Communities, Suppliers

Link to the United Nations Sustainable Development Goals

13, 14, 15

Recent recognition, awards, and memberships

- B Corp Certification (September 2022)
- BREEAM Excellent certified Distribution Centre and Store Support Centre
- Gold Standard Carbon Offset with Ecologi
- Certified Zero Waste to Landfill for our Distribution Centre and Store Support Centre

We are committed to reducing the environmental impact of our business operations by continually reviewing and refining our practices.

Our top priority remains the reduction of carbon emissions across our entire value chain to achieve our ambitious target of net zero by 2040. While we acknowledge the challenges ahead, including factors beyond our direct control, we are confident that this commitment will drive the necessary focus, collaboration, and responsible decision-making throughout our business.

Having already made significant progress in reducing our Scope 1 and 2 emissions, we are now working closely with our global supplier network to raise awareness of their environmental impact and support the necessary changes to drive meaningful, long-term improvements. This year, we have enhanced our sustainability efforts by launching new web pages dedicated to showcasing our journey. These pages provide stakeholders with clear and transparent insights into the steps we've already taken to reduce our impact on the planet. We've also strengthened our Commercial team by appointing a new Commercial Director and introducing new roles within the team who will be able to give this topic greater focus through building deeper relationships with suppliers, enhancing engagement and collaborative building more traction and progress in this area.

Read more: Reducing our environmental footprint on page 20

Read more: Progressing towards Net Zero on pages 40 to 41

Our commitments	How we deliver on our commitments	What we are focused on next
To reduce our carbon emissions to Net Zero, in line with the United Nations Science Based Targets[1] initiative	• 100% LED lighting in our Store Support Centre, and 95% LED lighting in stores • A fully electric company car fleet. Electric vehicle salary sacrifice scheme offered to colleagues • BREEAM excellent-certified Store Support Centre and Distribution Centre in Gloucestershire • External verification of our Scope 1,2 and 3 carbon emissions and long-term carbon reduction strategy established in line with the UN Science Based Targets initiative[1] • Workplace pension transitioned to provider offering more sustainable and ethical investments • Completed transition to 100% renewable energy usage business-wide NEW in FY25 • Departmental sessions to engage colleagues with our net zero roadmap NEW in FY25 • Began supply chain transformation, focusing on sourcing more environmentally aware suppliers NEW in FY25 • ESOS Phase 3 considerations actioned, energy reduction plan submitted NEW in FY25 • Car-sharing scheme at the Store Support Centre introduced in collaboration with other businesses on the retail park NEW in FY25	• Continue engaging with suppliers to positively influence and reduce their environmental impacts • Raise customer awareness of product choice impacts, educating on the benefits of buying high-quality, long-lasting products, which have lower impact due to their longevity • Continue reducing energy consumption throughout our own business operations • Launch annual sustainability training on our learning and development platform • Recalculate Scope 1, 2 and 3 emissions in FY26; analyse and review progress towards net zero ambition
Reduce waste and use sustainable materials throughout our operational activities	• Adhering to the Waste Hierarchy of prevention, reuse, recycle, recover, disposal. Certified Zero Waste to Landfill at our Distribution and Store Support Centre • Reduced single-use plastic across the business; all colleagues are provided with reusable bottles in their starter welcome box • Customer recycling scheme for small home electrical items (WEEE) • 100% FSC-certified cardboard packaging for home delivery parcels, minimised usage of plastic bubble wrap by introducing recycled paper-based box filler • Reuse and repurposing of store fixtures and equipment wherever operationally possible • Regular audits of product packaging to further eradicate single-use plastic • Feedback surveys sent to stores to capture store- specific sustainability opportunities, action plan produced NEW in FY25 • Added integrated handles into large products making them easier to carry and reducing the need for carrier bags NEW in FY25 • Introduced wider range of ceramic non-stick pans NEW in FY25	• Introduce SMART environmental targets for retail stores and measure improvement • Continue to reduce single-use plastics in consumer deliveries, conduct innovative warehouse trials to understand viable alternatives • Explore more sustainable printing for store marketing assets, with closed-loop recycling option

1 The United Nations' Science Based Targets provide a clearly defined pathway for companies to reduce greenhouse gas ("GHG") emissions and improve sustainability, helping prevent the worst impacts of climate change.

Sustainability Continued

Our commitments	How we deliver on our commitments	What we are focused on next
Develop our environmental framework to strengthen and manage our environmental procedures and policies	• ESG roles and responsibilities assigned throughout the business • Environmental Management System ("EMS") with ISO14001 aligned processes and policies • Regular review and monitoring of our environmental risk register, including climate risks • Executive-sponsored ESG Committee, reporting to the Board, to accelerate action across the business • Colleague engagement with net zero through internal bitesize and jargon buster training • Departmental workshops to help teams understand net zero and explore practical changes they can make in their own areas as we work toward our 2040 goal **NEW in FY25** • Colleague Advisory Panel focused on enhancing sustainability across the business and how to effectively communicate these efforts to customers **NEW in FY25**	• Further develop our net zero roadmap, implementing initiatives with pace • Collaborate with carbon consultants to understand full progress on the net zero roadmap • Introduce further policies and practices to streamline environmental reporting and target setting
Progress our B Corp Score and be a force for good	• Continual development of processes, practices, and policies to improve sustainability and colleague well-being at ProCook • Ongoing commitment to our relationships in the local community including our charity partner Life's a Beach • Internal ESG activities, strategies and impacts aligned to the United Nations Sustainable Development Goals • Raising awareness of B Corp and the importance of the initiative through logo placement in our marketing, on our website and in our retail stores • Published our second B Corp Impact Report showing our progress and commitment to being a socially and environmentally responsible business **NEW in FY25** • Strengthened connections with other B Corp companies by hosting the January B Local event at our Store Support Centre, fostering collaboration and networking with like-minded local businesses **NEW in FY25**	• Continue using our B Corp score as an internal metric to monitor improvement in each measurable area, aiming to achieve >85 points when re-certifying in FY26 • Promote our Cycle to Work and car-sharing schemes to encourage colleagues to make more sustainable transport choices

Greenhouse gas emissions[1]

tCO_2e emissions

FY25	417.7
FY24	430.8
FY23	369.9
FY22	447.7
FY21	429.7
FY20	1015.6

tCO_2e/£1m revenue

FY25	6.0
FY24	6.9
FY23	5.9
FY22	6.5
FY21	8.0
FY20	26.1

Energy Gigawatt hours

FY25	2.0
FY24	2.1
FY23	1.8
FY22	2.1
FY21	1.8
FY20	4.1

1 Greenhouse gas emissions are defined here as CO_2 equivalent emissions (CO_2e) from all Scope 1 and 2 activities relating to the Group's operations.

Case Study

Inspiring action to reduce single-use plastics

Life's a Beach, our charity partner, is dedicated to three core pillars: Act, Educate, and Encourage.

Act

Taking direct action to keep our oceans and beaches litter-free through nationwide clean-up events.

Educate

Raising awareness about the importance of recycling and the plastic pollution crisis through social media, public talks, and interactive school workshops.

Encourage

Promoting sustainable habits by encouraging the public to reduce, recycle, and most importantly, reuse—supported by a reusable product range available at all ProCook stores.

Over the past year, Life's a Beach has significantly expanded its outreach efforts. To date the charity delivered nine educational talks to schools and youth groups, working with 3,282 young people and distributing thousands of reusable water bottles to reinforce the principles of reduce, reuse, and recycle.

Life's a Beach is primarily funded through the sales of its product range in ProCook stores and through generous donations.

Year on year, Life's a Beach recorded a 130% increase in litter collected and a 60% rise in volunteer participation, underscoring the growing impact of the initiative.

ProCook colleagues have embraced Life's a Beach clean-up events, with overwhelmingly positive feedback. From lunchtime litter picks to canal cleans in canoes, these events provide meaningful opportunities to contribute to local communities and ecosystems. In addition, they offer colleagues a chance to spend time outdoors, enhancing both their mental and physical well-being.

Supporting Life's a Beach in its mission to combat plastic pollution remains a top priority. In the year ahead, we will continue to raise awareness about the urgency of the plastic pollution crisis, strengthening engagement and educational initiatives. We will work together towards a future free from plastic pollution, making a tangible difference, one clean-up, one reusable product, and one conversation at a time.

Sustainability Continued

Our Product – Helping our customers make more sustainable choices

Link to principal risks

Supply chain
Climate change
Brand and customer

Link to strategy

1 Accelerate profitable sales growth
2 Improve operating efficiency
4 Be a force for good

Key stakeholders

Customers
Colleagues
Suppliers

Link to the United Nations Sustainable Development Goals

Recent recognition, awards, and memberships

- Which? Recommended Provider – February 2025
- Sedex membership
- B Corp Certification (September 2022)

At ProCook, we design and source durable, high-quality kitchenware, empowering customers to make more sustainable choices by investing in long-lasting products. Every ProCook item undergoes rigorous testing to ensure performance, longevity and enjoyment.

Minimising our environmental impact is a continual focus, and we are actively making progress in implementing Life Cycle Assessment recommendations, for example, by incorporating more recycled materials into our packaging and products, and exploring alternative, more sustainable materials. Working towards circularity remains a priority, with a strong emphasis on responsible packaging and encouraging customers to take good care of their products to maximise their lifespan.

We advocate for ethical and sustainable manufacturing across our supply chain. We collaborate with trusted suppliers and, through our partnership with Sedex, conduct audits to uphold the highest standards of integrity, ensuring operations remain free from bribery, corruption, and modern slavery. We have recently been named for the second time running a 'Which? Recommended Provider 2025' in the Furniture and Homes category.

Our commitments	How we deliver on our commitments	What we are focused on next
Develop and bring to market products that are of high quality and have longevity, offering our customers more sustainable choices	• Offer products with product guarantees of up to 25 years • Continual focus on Quality Assurance to enhance product quality, reduce fault rates and improve product longevity • Removal of all single-use plastic products from ranges and are committed to not selling such products • Expanded our range of products that include more sustainable materials, specifically acacia and bamboo • Life cycle assessments conducted on core product ranges to identify associated carbon emissions • Which? Recommended Provider, coming in second place with a score of 81%, 5* for customer service and product quality, and 4* for value for money, range and packaging **New in FY25** • Further improvements to range structure to discontinue products with lower longevity **New in FY25**	• Expand our lower impact ranges, bringing more sustainable alternatives to the market • Further embed circular thinking into our product development processes
Promote responsible manufacturing processes across our supply chain with high levels of transparency and compliance in ethical and environmental standards	• Membership of Sedex (ethical and environmental compliance monitoring) requiring our suppliers to register with Sedex or an equivalent body • Achieved 100% supplier registration with Sedex or equivalent, with all suppliers undertaking annual SMETA or BSCI Amorfi audits • Review and challenge supplier compliance results ensuring weaknesses or non-compliance issues are promptly actioned • Independent product performance and chemical testing on all new ranges, and regular re-testing all existing core and high-risk product categories • Engage with top volume suppliers to understand and improve their sustainability credentials to align with ours • Enhanced supplier T&Cs promoting more sustainable manufacturing **NEW in FY25** • Began rationalising the number of suppliers in our supply chain, increasing our influence over sustainable manufacturing practices **NEW in FY25**	• Develop our circular economy capabilities by investigating opportunities to reuse or recycle end-of-life customer products • Continue to focus on product risk assessments and technical files, ethical and technical audits, and advances in sustainable materials
Minimise waste from product packaging to reduce our environmental footprint	• Eliminated less sustainable materials where operationally possible, using options such as string, paper ties and tissue paper instead of elastic bands and single-use plastic bags • Over 95% of our product packaging is plastic-free • Improved product shipping packaging with suppliers to eliminate waste including moving to paper-based tapes instead of plastic • Improved recycling instructions on product packaging to support customers in their recycling efforts • Customer recycling guides providing advice on how to responsibly dispose of ProCook packaging • Use of fibre-based bags and cardboard void fillers instead of polystyrene in all Electricals ranges • Request suppliers use 50-70% recycled content in product packaging **New in FY25** • Relaunched user-friendly sustainability website and introduced retail information to highlight our commitment to reducing plastic packaging **New in FY25**	• Continue to innovate to reduce single-use plastics in product packaging

Task Force on Climate-Related Financial Disclosures

We acknowledge the severity and immediacy of climate change and corresponding financial risks. In line with the FCA Listing Rule UKLR 6.6.6 R (8), ProCook has made disclosures against the Task Force on Climate-Related Financial Disclosures ("TCFD") recommendations on pages 36 to 39. Dan Walden (CFO) is the Executive Director responsible for climate change as a whole, supported by the Group's ESG Director and team.

Building on our first TCFD report in FY22 and the progress made in the years since, we have refined our approach to assessing risks and opportunities. We remain committed to enhancing our disclosures in line with evolving requirements and best practice. This year, we have made progress in how we monitor, measure, and manage climate change risks, opportunities and financial impacts. New internal processes have helped improve focus on potential impacts across the business. As our understanding of climate impacts deepens, so, too, will our response, ensuring our assessment of climate-related risks remains robust. This ongoing progress will drive further initiatives as part of our wider strategy.

Reducing our environmental footprint is an embedded value and is integral to our long-term success. Both customers and colleagues expect brands to prioritise sustainability, and we recognise the growing consumer demand for longer-lasting products that explore lower impact materials and are free from single-use plastics. This shift presents both commercial risks and opportunities, which we are actively addressing.

Our peak trading period is during late autumn and early winter; extreme weather events during this time (or in the run up towards it) could disrupt our purchasing and flow of inventory, and delay deliveries to stores and customer's homes, or prevent customers from visiting our stores, which could impact trading performance. In a below 2°C scenario, the Group expects such impacts either physical impacts, or impacts to the successful achievement of the Group's strategy, to be relatively low. Under a greater than 2°C scenario, such climate disruption could become prolonged and more extreme, and, therefore, more impactful to the Group's performance and execution of strategic objectives. As such, the Group continues to review and improve its resilience to such impacts through operational, sourcing and risk management improvements.

Strong governance with oversight by the Board

The Board is responsible for governance across the Group and takes an active role in the oversight of ESG matters, including strategy development, culture, risk management and climate-related risks, opportunities and impacts

The ESG team is responsible for identifying and evaluating current new and emerging climate-related risks and associated mitigating actions. The potential likelihood and impact of climate-related impacts are assessed, with significant concerns and risks reported to the Board

Read more: Governance Framework on pages 70 to 71

Read more: Board activities on pages 76 to 79

What we do already	What we will do next
Climate Change and sustainability topics are discussed regularly by the Board, with deep dive updates throughout the year on ESG progress presented by our ESG Director The Board reviews ESG progress at least annually as a standing agenda item The Audit and Risk Committee reviews the principal risks at least twice a year including those surrounding climate change The ESG Committee, Chaired by the CFO, meets quarterly to oversee the delivery of our strategic objectives and report to the Board on progress against targets Monthly "Green Team" meetings generate ideas and implement initiatives to reduce our environmental impact Engage and educate colleagues on B Corp, climate change and sustainability, through internal comms and our designated Sustainability and Well-being Portal	Further embed climate-related considerations in our strategic and financial planning as climate change impacts become more critical to our business practices

Prioritising climate change in our strategy

The TCFD framework helps us understand and manage the climate-related risks and opportunities we face. The Board has considered the potential impacts to our strategy of climate change risks (as set out on pages 42 to 44). These are not considered to have a material effect on the Group's financial projections or strategic priorities over the short to medium term; however, could reasonably become more significant over the longer term

The framework allows us to better understand and manage the climate-related risks and opportunities we face. Integrating climate change considerations into our day-to-day business activities and strategic objectives is crucial. While we acknowledge the costs associated with mitigating climate risks and implementing necessary changes, and preventing negative impacts associated with climate change, we remain committed to responsible action. Our goal is to build a resilient and sustainable business that benefits all stakeholders

Read more: Climate-related risk register on pages 42 to 44

Read more: Reducing our environmental footprint on page 20

Read more: Sustainability, Our planet on pages 30 to 33

What we do already	What we will do next
Reducing our environmental footprint is a key element of our Group's strategy Alignment of our environmental impacts with the United Nations Science Based Targets initiative to support internal strategic decision-making and focus Developed our Environmental Management System and began the development of our net zero strategic roadmap in partnership with carbon consultants to deliver carbon emissions reduction throughout our business operations and global supply chain Progressing our eight priority actions for our Scope 1, 2 and 3 carbon reduction strategy as set out on page 41 Developed our strategic roadmap to achieve net zero by 2040, including understanding the pace at which we can transition and the tangible initiatives to pursue Completed our resilience assessment, taking into consideration different climate-related scenarios, including a 2°C or lower scenario Submitted our ESOS Phase 3 action plan and identified energy saving opportunities, including behaviour change workshops, transport and packaging optimisation	Full reassessment of Scope 1, 2 and 3 emissions with carbon consultants in FY26 Continue to invest in resource and expertise to support our transition towards net zero Continue to implement the eight priorities for our Scope 1, 2 and 3 carbon reduction strategy. Build on our foundations and demonstrate real progress Utilise our relationships with key strategic suppliers to influence their environmental commitments, targets, and progress Progress with ESOS Phase 3 action plan including steps to improve energy data, colleague behaviours, and transport and packaging optimisation Understand our associated emissions in the form of life cycle assessments of our best-selling products to support manufacturing and supplier choices of the future Consolidate sourcing to preferred suppliers, enabling us to have a greater influence over supplier environmental initiatives, including net zero ambitions, SBTi and joint ethical targets Understand supplier geographical initiatives and energy zoning data

Task Force on Climate-Related Financial Disclosures

Continued

A robust approach to risk management

Climate change is recognised as one of the Group's principal risks and uncertainties and is integrated into our wider risk management framework which is set out on page 52. The Board, Audit and Risk Committee, and the CFO, are responsible for identifying and overseeing climate-related risks and tracking progress against our climate goals and targets

To assess potential climate impacts, we have identified climate-related risks and opportunities across the short (up to 2030), medium (2030-2040), and long term (2040 onwards) under three possible future climate scenarios: below 2°C, between 2-3°C, and above 3°C. These scenarios are based on the Intergovernmental Panel on Climate Change (IPCC) Representative Concentration Pathways (RCP 2.6, RCP 4.5, and RCP 8.5), enabling us to evaluate potential risks and opportunities that could affect our business in the years ahead

Read more: Climate-related risk register on pages 42 to 44

Read more: Our approach to risk management on page 52

Read more: Principal risks and uncertainties: climate change on page 59

What we do already	What we will do next
Clearly defined ESG roles and responsibilities have been established with regards to environmental management Climate risk register developed, which incorporates short, medium, and long-term climate-related risks, with an assessment of potential climate change risks and opportunities that could affect our business over the following time scales: short term (up to 2030), medium term (2030 to 2040) and long term (2040 onwards) Oversight of risk management is delegated to the Audit and Risk Committee by the Board Review and update climate change risk assessments at least annually	Seek external review and feedback on our climate change risk assessments as risks evolve Continue to monitor and identify changes to climate-related risk (increase, no change, decrease), and review this at least bi-annually with the Board Complete a detailed environmental risk assessment for our global supply chain, with regards to water, biodiversity loss and physical climatic changes, under different climate change scenarios

Monitoring progress using detailed performance indicators and targets

Setting targets and monitoring progress against these are critical to ensure that sufficient headway is being made at the required pace. The Board monitors a range of performance indicators, including those set out below and our Key Performance Indicators

Following strong progress already made in reducing and mitigating Scope 1 and 2 emissions, the Board, in recognition of the urgency of action required in the face of this global threat, has set an overarching target for the Group to achieve Net Zero by 2040.
The Board recognises that the achievement of this target requires significant progress to be made by third-parties that are not directly within our control

Read more: Key Performance Indicators on pages 46 to 47

Read more: Alternative Performance Measures on pages 162 to 164

What we do already	What we will do next
Scope 1, 2 and 3 (over 80% of Scope 3) carbon emissions are assessed and reported to the Board 100% electric company car fleet 100% renewable energy sources used across our business operations Waste reduction: Zero waste to landfill certification of our Store Support Centre site Sustainable paper: 100% FSC certified paper used across the business Sustainable home delivery packaging: 100% FSC certified home delivery boxes and paper packaging are in use in operations Engaged with our top 10 product suppliers to understand their own environmental performance and action plans and how we can support their progress Introduced closed door policy for extreme temperature conditions; stickers on store doors demonstrate this energy-saving initiative Transitioned to new pension provider offering more sustainable investment choices for colleagues to help reduce Scope 3 emissions	Work with our suppliers and carbon consultants to continue to improve the accuracy and completeness of our carbon emission data, particularly in respect of Scope 3 emissions, with full recalculation to monitor progress in FY26 Develop our Net Zero roadmap and associated targets and timescales, assessing in further detail the cost/benefit, pace, and action plan to implement initiatives ESOS Phase 3 recommendations to be integrated into net zero roadmap, identify energy efficiency improvements for stores Investigate retail stores with the highest kWh/ sq.ft. usage to identify where improvements can be made in FY26 Engage with our freight and logistics providers regarding the GLEC framework, and their own targets, which should be aligned to net zero by 2040 the global target for the logistics sector Report on progress towards net zero by 2040, annually, to the Board

Progressing towards net zero

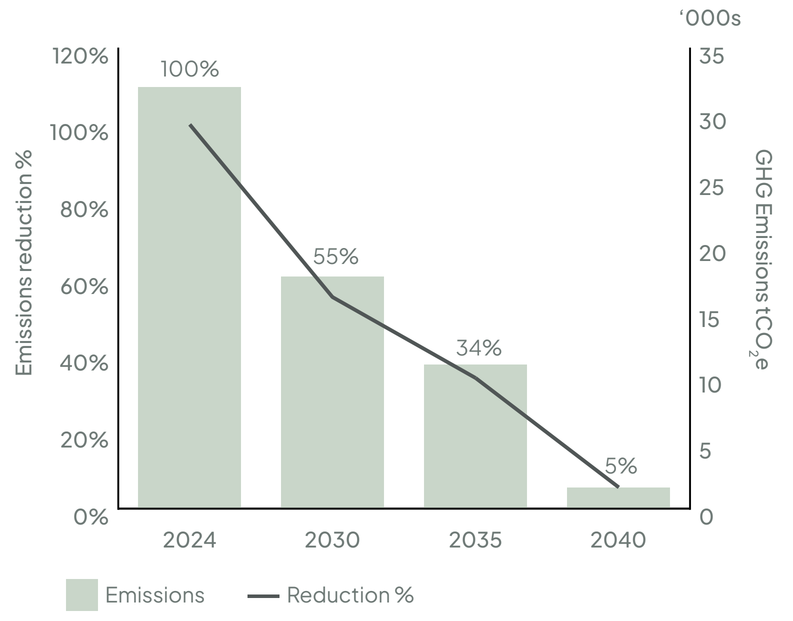
We acknowledge the need to decarbonise our operations and value chain to minimise climate risks, retain and grow our customer base and deliver positive outcomes for our planet and all stakeholders.

Having completed our full carbon footprint analysis, including our Scope 1, 2 and 3 emissions, we have gained a full understanding of the extent of the emissions implicit in our indirect sourcing activities, as set out in the Baseline Value Chain Carbon Footprint analysis in our 2024 Annual Report and Accounts.

These are significant in comparison to the relatively modest emissions from our own operations, which the Group has worked hard to eliminate and reduce over recent years. Much of the emissions in our supply chain are not directly within our control, and being in sectors and countries where no clear decarbonisation plans exist yet, we have now completed a detailed exercise to assess the anticipated timescales on which we can, with a degree of confidence, commit to achieving net zero emissions across our value chain as a whole.

The Board has agreed a target of achieving net zero emissions by 2040 through reducing our total emissions (all Scope 1, 2 and 3 carbon emissions associated with our activities) by at least 90% by 2040, with any remaining emissions needing to be mitigated or offset. We have set an intermediary target to deliver a 45% reduction in total tCO_2e per £1m of Revenue by 2030. Further information on carbon emissions is set out on page 110.

Net Zero emissions trajectory targets[1]



1 Given the inherent challenges in measuring emissions on indirect activities outside of the Group's control, especially those in Scope 2 and 3, the Group has worked with expert carbon consultants making use of best industry practices using judgement and estimates where necessary based on company and country data. Therefore, these emissions lack absolute precision but are considered by the Group to be reasonably indicative, and will be refined as more precise data becomes available

Our priorities for Scope 1, 2 and 3 carbon reduction

Priority action	Progress so far	Actions for FY25
Policies Strengthen and update environmental and ESG policies (e.g. purchasing, energy, waste management, human rights)	Strengthened environmental policies including Energy, Waste Management, Environmental, and Environmental Purchasing Policies. Developed a more in-depth supplier purchasing policy.	Continue enhancing knowledge of evolving sustainability legislation (e.g. CSRD) and ensure compliance. Expand policies in preparation for future regulatory changes.
Data quality Identify operational data gaps and improve collection and management (e.g. business travel)	Improved logistics, transport, and shipping data quality by collaborating with suppliers and couriers to better understand emissions related to our operations.	Strengthen data collection and management, bridging gaps between internal teams, suppliers, and external partners for a unified sustainability reporting approach.
Environmental management system ("EMS") Improve and fully align EMS documents to ISO14001	Enhanced EMS documentation, including ESG Roles & Responsibilities, Interested Parties, PESTLE & SWOT analysis, and climate risk register.	Maintain alignment with ISO 14001 standards, ensuring all EMS documentation remains relevant and up to date.
Engage suppliers Identify key suppliers for initial engagement and understand their environmental targets	Engaged top suppliers to better understand their environmental commitments through Sedex and questionnaires. Strengthened relationships through supplier visits to factories and our SSC.	Deepen insights into suppliers' future sustainability initiatives, including regional energy zoning data. Explore alternative manufacturing regions to diversify the supply chain and mitigate risk.
Reduce and recycle packaging Continue to improve our product packaging recyclability and remove single-use plastics	Minimised single-use plastics in product packaging, replacing plastic tags with string and polystyrene inserts with corrugated cardboard. Used cardboard void fillers where possible and switched to thinner-grade plastic in unavoidable cases. Trained warehouse operatives to optimise packaging use, random spot checks ensure compliance.	Explore further packaging reduction opportunities through improved inner/outer configurations and enhanced container fill engineering.
Engagement and education Develop a communication plan informed by a stakeholder analysis to engage colleagues and achieve cross-Company commitment	Expanded colleague sustainability training, focusing on our net zero journey, including net zero workshops, jargon-busting sessions, B Corp presentations, and an in-depth induction. Completed ESOS Phase 3 Action Plan.	Shift focus towards raising customer awareness of our sustainability efforts and B Corp certification through in-store, online, and social media engagement.
More efficient property Improve store efficiencies. Understand differences in energy usage of similar size ProCook stores to make improvements and reduce overall energy consumption	Completed ESOS Phase 3 site visits and action plan. Fully renewable energy sources are used across our portfolio, and a closed-door policy has been introduced during adverse weather to reduce energy consumption.	Action agreed opportunities from the ESOS Phase 3 report to be completed and assess the impact of moving to the new Store Support Centre. Explore well performing, energy efficient stores and take learnings from these.
Travel Improve WFH and employee commuting data and distribute sustainable travel plans for our new headquarters	Researched colleague commuting practices to establish a current emissions baseline and set a target to reduce single-occupancy car travel by 10% by 2027 at SSC.	Promote car-sharing and the Cycle to Work scheme, including creating a cycle club at the Store Support Centre to encourage participation. Investigate climate-friendly travel incentives.

Climate-related risk register

Risk	Opportunity	Scenario	Time horizon	Link to principal risks	Risk impact	Risk impact change	Mitigating action
Transition Risks (associated with moving towards a greener, less polluting economy)							
Regulatory risks							
Increased compliance costs and reporting obligations. Increasing extended producer responsibility, driving operational waste disposal costs up (for example packaging and product waste)	Potential operational savings from transitioning towards a circular and lower-emission operating model. Improved customer perception may enhance brand loyalty and revenue	Variable across all scenarios	Short/Medium term	Regulatory compliance	Medium/High	Increase	Work with external advisors to ensure compliance with evolving regulations (including CSRD) Build internal expertise to manage changing obligations effectively Budget for increasing costs
Risk of climate regulatory requirements, including carbon pricing, energy, waste, and plastic taxes, driving operational costs as Governments aim to meet net zero commitments	Long-term operational savings and revenue growth from reducing emissions and improving resource efficiency. Stronger environmental credentials enhance brand value	Variable across all scenarios	Medium term	Regulatory compliance	Medium	No change	Develop internal carbon pricing strategy to account for potential future costs Proactively adjust business models to stay ahead of evolving regulation
Higher costs related to changes in building efficiency standards and mandatory energy audits (such as ESOS Phase 3)	Potential long-term cost savings through improved building efficiency and energy use reduction. Opportunity to transition to renewable energy sources	Variable across all scenarios	Medium/Long term	Regulatory compliance	Low/Medium	Increase	Continue energy efficiency improvements and align operations with ESOS Phase 3 recommendations Monitor emerging energy performance standards
Technology risks							
Transition to low-carbon technologies may lead to increased costs and potential inefficiencies during implementation	Long-term cost savings from adopting more efficient and sustainable technologies. Enhanced reputation by demonstrating innovation and environmental leadership	Below 2°C and between 2-3°C	Short/Medium term	Technology platforms, data loss and cybersecurity	Medium	No change	Accelerate adoption of renewable energy and low-carbon technologies Ensure investments align with emerging industry standards and best practices
Internal systems becoming inefficient or new technologies becoming obsolete before ROI is realised	Leveraging innovative technologies may drive operational efficiencies and reduce overall environmental footprint	Variable across all scenarios	Medium/Long term	Technology platforms, data loss and cybersecurity	Low	No change	Conduct regular technology reviews and adopt future-proof solutions that support circular and low-carbon ambitions
Market risks							
Changing consumer preferences towards sustainable products could lead to increased demand for limited, sustainable materials, raising manufacturing costs	Using innovative materials and alternative production methods may reduce long-term costs and align with shifting consumer expectations	Variable across all scenarios	Short/Medium term	Brand and customer	High	No change	Expand partnerships with sustainable material suppliers and invest in supply chain diversification to mitigate price fluctuations
Increased costs of energy and raw materials for product production as global supply chains are affected by climate-related changes	Transitioning to recycled and alternative materials may reduce costs over time and improve supply chain resilience	Variable across all scenarios	Short/Medium term	Competition, market and macro-economic	High	No change	Continue to improve supply chain resilience by diversifying suppliers and exploring alternative materials Prioritise renewable energy sources wherever possible
Higher demand for circular economy products (reuse, repair) could reduce new product sales or lead to loss of market share to more sustainable competitors	Increased revenue potential from introducing more sustainable, circular product ranges that appeal to environmentally conscious consumers	Variable across all scenarios	Medium/Long term	Brand and customer	Medium/High	Increase	Strengthen circular product offerings and continue collaboration with suppliers to innovate on reuse and repair models
Reputational risks							
Inability to recruit and retain top talent if ProCook is not recognised as a responsible business	Improved reputation and brand image through stronger sustainability credentials, enhancing employee attraction and retention	Variable across all scenarios	Medium/Long term	People and culture	Medium	No change	Maintain B Corp certification and ensure continuous progress on sustainability initiatives Promote employer brand as a leader in ethical business
Shifts in consumer preferences, unable to retain and attract customers if we are not recognised as a responsible business	Continually improving sustainability strategy/credentials will lead to a stronger customer reputation and brand image, attracting a broader range of loyal customers	Variable across all scenarios	Medium/Long term	Brand and customer	Medium	No change	Leverage marketing channels to educate customers about our sustainability journey and achievements Highlight product innovations and certifications
Increased stakeholder (investor) interest in sustainability performance, with risk of divestment if targets are not met	Proactive sustainability leadership and enhanced transparency strengthen investor confidence and improve access to capital	Variable across all scenarios	Medium/Long term	Financial and treasury	Medium	No change	Continue to strengthen ESG reporting, aligning with international frameworks (including TCFD, CSRD) to build trust with investors

Risk key

Time horizon
- Short/ Medium term
- Medium term
- Medium/ Long term

Risk impact
- Low
- Medium
- High

Risk impact change year on year
- No change
- Increase
- Decrease

Climate-related risk register
Continued

Risk	Opportunity			Mitigating action
Physical Risks (associated with the physical impacts of climate change)				
Increased frequency and severity of extreme weather events (heatwaves, storms, floods) may disrupt supply chains, particularly in regions where key suppliers operate	Improved supply chain resilience through stronger supplier relationships and climate adaptation measures may reduce long-term costs and improve product availability	**Scenario** Between 2-3°C and above 3°C **Time horizon**	**Link to principal risks** Climate change **Risk rating** **Risk impact change**	Continue climate risk assessments, prioritising suppliers in vulnerable regions Strengthen supply chain contingency plans
Increased risk of supply chain disruption and rising raw material costs due to climate-related changes in precipitation and temperature affecting crop yields and natural materials	Stronger supplier relationships and proactive risk management can improve supply chain resilience and reduce disruptions	**Scenario** Above 3°C **Time horizon**	**Link to principal risks** Climate change **Risk rating** **Risk impact change**	Enhance supplier engagement and climate adaptation plans Diversify supplier base to help mitigate risk
Reduced employee productivity due to extreme heat, flooding, or other weather-related disruptions	Improved workplace conditions and flexible working arrangements may help protect employee well-being and maintain productivity	**Scenario** Above 3°C **Time horizon**	**Link to principal risks** Climate change **Risk rating** **Risk impact change**	Continue implementing policies to protect colleague well-being during extreme weather events Ensure facilities are equipped with appropriate climate resilience measures

Risk key

Time horizon
- Short/Medium term
- Medium term
- Medium/Long term

Risk impact
- Low
- Medium
- High

Risk impact change year on year
- No change
- Increase
- Decrease

Non-financial information and sustainability statement

In accordance with Section 414CB of the Companies Act 2006, the statements below set out our approach and commitment to our people, our communities and environment, anti-bribery and corruption, and human rights across the Group.

Additional information on our business model can be found on pages 6 to 7, our approach to risk management on page 52, and our non-financial KPIs on pages 46 to 47.

Our people

We are committed to creating an even better place to work for our people, with a safe working environment and a supportive culture where our colleagues can develop their skills, experience, and careers. We promote well-being, inclusion, diversity, and equal opportunities, and we treat everyone with respect, providing fair reward for each of their contributions. Our leadership play a critical role in fostering and developing our culture and our working environments, which is why we're committed to developing the best possible leaders we can.

Read more on Our people and other social matters:

Create an even better place to work on page 19

Engaging with our people on page 9

Sustainability: Our People on pages 25 to 29

Code of conduct: see www.procookgroup.co.uk

Gender pay gap: see www.procookgroup.co.uk

Diversity, equality, and inclusion policy: see www.procookgroup.co.uk

Mental Health and well-being policy: see www.procookgroup.co.uk

Our communities and environment

ProCook is committed to supporting the communities in which we operate. We offer all colleagues the opportunity to contribute to their communities through our Good Causes Days scheme. We also raise funds for, and promote, our charity partner Life's a Beach and our colleague-nominated charity of the year, with £21,000 raised for FoodCycle in FY25. We develop relationships in our local communities by providing mentoring and work experience opportunities for people with barriers to work.

We are proactive in our activities to reduce our impact on the environment, with sustainability a key part of our decision making. We source quality products that are designed to last, helping customers make more sustainable choices and we eliminate all unnecessary plastics from our packaging. We operate a zero waste to landfill Store Support Centre, which is BREAAM excellent-rated, and we are committed to progressively reducing our emissions across all of our operations and supply chain, with a goal of Net Zero by 2040.

Read more on Our communities and environment:

Reducing our environmental footprint on page 20

Engaging with our communities on page 10

Sustainability – communities on pages 25 and 27

Sustainability: Our Planet on pages 30 to 32

Responsible sourcing on pages 34 to 35

Inspiring action to reduce single-use plastics on page 33

Task Force for Climate Change Related Disclosures on pages 36 to 39

Anti-bribery and corruption, and human rights

ProCook is committed to doing the right thing, with robust policies and procedures in place to prevent bribery, corruption, and human rights abuse.

We have established controls around giving and receiving hospitality, entertainment, and gifts, and around the introduction of new supplier partners. Colleagues undergo training and are required to confirm, on an annual basis, their understanding of the policies that we have in place around anti-bribery and corruption, and any non-compliance with the policy would result in disciplinary action and possible dismissal.

We are committed to a zero-tolerance policy on modern slavery, and we expect both those who work within our organisation and our external partners to adhere to and respect the highest ethical standards in working conditions both in the UK and internationally. The provenance of our products is of paramount importance to us, and we work closely with our suppliers, staff, and contractors to ensure there is complete transparency in labour conditions at every level of our business and stage of a product's lifecycle. As part of our Modern Slavery framework, we continue to audit and monitor the conditions of our supply chain and internal ecosystem on an ongoing basis to identify improvements and uphold our commitment.

We operate a whistleblowing helpline for colleagues who may be concerned about these and other topics, and who may prefer to report in confidence. All whistleblowing contacts are shared with the Audit and Risk Committee for oversight and further investigation if required.

Read more on Our policies on anti-bribery and corruption and human rights:

Code of conduct: see www.procookgroup.co.uk

Human rights: see www.procookgroup.co.uk

Anti-bribery and corruption: see www.procookgroup.co.uk

Modern slavery: see www.procookgroup.co.uk

Sustainability: Our Product on pages 34 to 35

Key Performance Indicators

Our Key Performance Indicators ("KPIs") are set and monitored by the Board to assess performance across a range of financial and non-financial targets and to help determine senior management remuneration.

These KPIs provide a range of information aligned to the Group's strategic mission to be the customers' first choice for kitchenware, with our sustainability goals and financial performance in mind. During the year, the Board has agreed to monitor two new measures which have been added to the KPIs set out below in respect of Underlying EBITDA and Underlying operating profit margin.

Link to strategy

1. Accelerate profitable sales growth
2. Improve operating efficiency
3. Create a great place to work
4. Be a force for good

[1] Further information on how Underlying Profit Before Tax is calculated is set out on page 120.
[2] Further information on how Free cash flow is calculated is set out on page 164.
[3] tCO_2e emissions are defined as emissions from all Scope 1 and 2 activities relating to the Group's operations.

Financial

Revenue
£m and %

£69.5m 11.0%

FY25	£69.5m 11.0%
FY24	£62.6m 0.4%
FY23	£62.3m (9.9)%
FY22	£69.2m 29.5%
FY21	£53.4m 37.5%

Revenue of £69.5m (+11.0% vs FY24) reflects an improving performance trend as the year progressed, with six consecutive quarters of revenue growth against the continuing backdrop of the challenging consumer environment.

Link to strategy
1

Gross profit
£m and %

£45.7m 65.8%

FY25	£45.7m 65.8%
FY24	£41.1m 65.7%
FY23	£38.3m 61.5%
FY22	£45.0m 65.1%
FY21	£35.9m 67.2%

Gross profit increased to £45.7m (FY24: £41.1m) primarily driven by top line revenue growth but impacted by marine freight and foreign exchange volatility in the period.

Link to strategy
1 2

Underlying EBITDA
APM £m

£8.9m

FY25	£8.9m
FY24	£6.8m
FY23	£5.5m
FY22	£13.3m
FY21	£13.5m

Underlying EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation) increased by 31.3% to £8.9m (FY24: £6.8m) primarily driven by revenue growth.

This measure was added to the Group's KPIs in FY25 as a key indicator of cash-generating profitability.

Link to strategy
1 2

Underlying operating profit
APM £m and % of revenue

£3.2m 4.6%

FY25	£3.2m 4.6%
FY24	£2.1m 3.4%
FY23	£0.8m 1.2%
FY22	£9.2m 13.3%
FY21	£9.7m 18.2%

Underlying operating profit, a key measure within our strategic plan, increased to £3.2m (FY24: £2.1m).

The OP% measure was added to Group KPIs in FY25 as a key metric to demonstrate progress against the Group's medium term strategic targets.

Link to strategy
1 2

Underlying profit before tax[1]
APM £m and % of revenue

£1.5m 2.2%

FY25	£1.5m 2.2%
FY24	£1.0m 1.6%
FY23	£(0.2)m (0.3)%
FY22	£9.5m 13.7%
FY21	£8.3m 15.5%

Underlying Profit Before Tax increased to £1.5m in FY25 (FY24: £1.0m) reflecting top line growth and strong cost discipline to help mitigate significant inflationary pressures.

Link to strategy
1 2

Free cash flow[2]
APM £m

£1.7m

FY25	£1.7m
FY24	£2.0m
FY23	£(0.5)m
FY22	£(3.0)m
FY21	£8.2m

Free cash flow of £1.7m in FY25 (FY24: £2.0m) reflects improved cash generation offset by £4.1m of investment capex (FY24: £1.9m), with a year end net cash position of £1.0m (FY24: net debt of £0.7m).

Link to strategy
1 2

Customer

Number of new customers
('000)

737

FY25	737
FY24	687
FY23	692
FY22	723
FY21	417

The Group attracted 737,000 new customers to shop with ProCook during FY25, 7.1% more than in FY24, primarily due to Retail expansion and stronger Ecommerce performance. New customers are those who shopped with ProCook for the first time in the year and, at that point, first registered their details on our customer database.

Link to strategy
1

Number of active customers (L12M)
APM ('000)

1,130

FY25	1,130
FY24	1,047
FY23	991
FY22	974
FY21	557

During FY25, we further grew our active customer base (+7.9% YoY) as we continued to attract new customers and drive repeat sales. Of these customers, 393,000 were repeat customers originally acquired in previous periods (FY24: 360,000).

Link to strategy
1

12 month repeat rate
APM %

20.5%

FY25	20.5%
FY24	21.3%
FY23	23.6%
FY22	25.5%
FY21	18.6%

Our customers' 12 month repeat rate decreased by 0.8% points year on year to 20.2% largely reflecting the continued channel shift back towards Retail, which typically has a lower repeat frequency. Repeat rates in both retail and online channels also reduced slightly year on year.

Link to strategy
1

Trustpilot score
(Max 5)

4.7

FY25	4.7
FY24	4.8
FY23	4.7
FY22	4.8
FY21	4.8

With over 130,000 5-star reviews, we continue to maintain our Excellent rating, outperforming the average rating for kitchenware retailers on the platform of 2.9.

Link to strategy
1

Environmental Social Governance

Colleague engagement score
%

77%

FY25	77%
FY24	66%
FY23	66%
FY22	77%
FY21	n/a

The Group was certified a Great Place to Work™ for the fourth consecutive year in December 2024, with an 11%pt improvement in colleague engagement score year on year.

Link to strategy
1 3

Link to sustainability
Our people

CO_2e emissions intensity[3]
tCO_2e / £1m of revenue

6.0

FY25	6.0
FY24	6.9
FY23	5.9
FY22	6.5
FY21	8.0

CO_2e emissions intensity reduced in FY25 to 6.0 tonnes of CO_2 per £1m of revenue generated, where expansion of the store estate in the year partially offset dual running of previous warehouse locations in FY24, which resulted in increased usage of energy.

Link to strategy
2 4

Link to sustainability
Our planet

CFO's review

"We have delivered encouraging results and improved trading momentum in the first year of executing our refreshed strategic plan. Together with our continuing focus on cost discipline and operational efficiency, we have improved profitability and strengthened our balance sheet whilst self-funding significant growth investment to expand our retail store estate."

Dan Walden
Chief Financial Officer

Revenue

£m / %	FY25 £m	FY24 %	YoY growth %
Revenue	**69.5**	**62.6**	**11.0%**
Ecommerce	25.5	22.7	12.3%
Retail	44.0	39.9	10.3%
LFL Revenue	**62.9**	**60.0**	**4.9%**
Ecommerce	25.1	22.7	10.3%
Retail	37.9	37.3	1.5%

Total revenue in FY25 (the 52-week period ending 30 March 2025) increased by 11.0% to £69.5m (FY24, the 52-week period ending 31 March 2024: £62.6m). Trading performance improved through the year with total revenue growth increasing each quarter.

We have continued to increase our share in the UK Kitchenware market[1] during the year, driven by the strong Ecommerce performance, and Retail revenue growth both from expansion and in our like-for-like estate. Our mix of revenue remains more heavily weighted to Ecommerce (37%) than the wider market (28%).

Ecommerce revenue grew by 12.3% to £25.5m (FY24: £22.7m) including a 2.0%-point benefit from the relaunch of a small, curated range on Amazon UK, and an encouraging sales performance through our own website, which increased by 10.3% year on year.

Performance on our own website was much improved following the disruption in the prior year from the transition to a new platform, supported by significant improvements in social media marketing capability and improved basket-building supporting increased average order values year on year.

Retail revenue increased by 10.3% year on year to £44.0m (FY24: £39.9m), including like-for-like growth of 1.5% and an 8.8% impact of 12 new stores opened in the year, partially offset by the closure of three smaller garden centre stores. Like-for-like growth was driven by continued product innovation, including the expansion of the new Electricals ranges and continued focus on delivering outstanding customer service. At the end of the financial year, our UK Retail estate comprised 66 stores.

1 Management estimates based on internal sales data and GFK weekly kitchenware sales data.

Gross profit

Gross profit of £45.7m in FY25 (FY24: £41.1m) reflected slightly improved gross margins of 65.8% (FY24: 65.7%) as we absorbed heightened shipping costs as a result of the Middle East conflicts, and delivered an encouraging Q4 exit rate of 66.8% (Q4 FY24: 64.5%).

Operating expenses and other income

Underlying operating expenses net of other income

Total underlying operating expenses net of other income were £42.6m (FY24: £39.0m) representing 61.2% of sales (FY24: 62.3%). The growth in costs was driven by a number of key factors:

- Expenses in relation to the twelve new stores and one relocation upsize opened this year and the annualisation of the two new stores opened last year: +£1.7m
- Operational efficiencies realised in the like-for-like store estate: -£0.2m
- Pay inflation and reward: +£2.5m
- Increased marketing efficiencies: -£1.4m
- Increased volume-related ecommerce costs: +£1.0m

Other income

Total other income of £47k in FY25 (FY24: £49k) related solely to rental income.

Non-underlying operating expenses

It is the Group's policy to disclose separately such items that relate to non-recurring events and are material in nature, and incurred outside of the normal business operations, in order to provide a consistent and comparable view of the underlying performance of the Group. Non-underlying operating expenses in FY25 were £0.3m (FY24: £0.1m).

Consistent with prior years, expenses in respect of employee share-based awards that relate to the IPO event in FY22, which itself is non-recurring, have been presented as non-underlying costs. These expenses have concluded in FY25 with the third anniversary of the IPO in November 2024 and the vesting of the scheme.

In FY24, the Group initiated a restructuring of the senior management team which finalised within FY25. The one-off costs of £0.2m (FY24: £0.7m) have been treated as non-underlying given their material and one-off nature.

The Group carried out an impairment assessment as at 30 March 2025, which did not result in any expense (or reversal of previous expense) to the Consolidated Income Statement (2024: no impairment recognised).

CFO's review
continued

Operating profit
Total underlying operating profit for the period was £3.2m (FY24: £2.1m). Ecommerce operating profitability improved from 23.5% of revenue to 26.2% benefitting from the improved gross profit margins and digital marketing efficiency gains. Retail profitability remained broadly stable, reducing slightly to 20.0% of revenue from 20.6% last year (reflecting a small dilutive effect of new store openings before they reach maturity), also benefitting from improved gross profit margins and operating efficiencies, more than offsetting inflationary pressures. The total operating profit from the Ecommerce and Retail channels combined was £15.5m (FY24: £13.5m). Central costs increased by £0.9m year on year driven by increased bonus costs, capability investment and inflation in both pay and other administrative costs.

£m	FY25	FY24
Underlying operating profit		
Ecommerce	6.7	5.3
Retail	8.8	8.2
Central costs	(12.3)	(11.4)
Total	**3.2**	**2.1**
Underlying operating profit % of revenue		
Ecommerce	26.2%	23.5%
Retail	20.0%	20.6%
Central costs	(17.7%)	(18.3%)
Total	**4.6%**	**3.4%**

Total reported operating profit, after the £0.3m of non-underlying expenses set out above was £2.9m (FY24: £2.0m).

Profit and earnings per share
Underlying profit before tax was £1.5m (FY24: £1.0m).

During the year, there was a net expense of £1.7m (FY24: £1.2m) in respect of financial items in the period. Financial items included interest expenses on lease liabilities and borrowings of £1.4m (FY24: £1.4m), and other losses in respect of foreign exchange of £273k (FY24: £114k gain).

After non-underlying items, reported profit before tax was £1.2m (FY24: £0.7m). Reported profit after tax was £1.0m (FY24: £0.6m).

The effective tax rate on underlying profit before tax was 16.3% (FY24: 16.4%).

Earnings per share
Underlying basic earnings per share for the year increased to 1.17 pence (FY24: 0.77 pence) and underlying diluted earnings per share increased to 1.08 pence (FY24: 0.73 pence).

Reported basic earnings per share for the year increased to 0.92 pence (FY24: 0.56 pence) and reported diluted earnings per share for the year increased to 0.85 pence (FY24: 0.53 pence).

Cash generation and net cash/debt
We have continued to carefully manage our cash position during the year, resulting in free cash flow of £1.7m after £4.1m of investment capital expenditure, primarily in new stores (FY24: £2.0m, after £1.9m of capital expenditure), and a closing net cash position of £1.0m (FY24: net debt of £0.7m) with available liquidity headroom of £17.0m (FY24: £15.3m).

£m	FY25	FY24
Reported profit before tax	**1.2**	**0.7**
Depreciation, amortisation, impairment, and profit/loss on disposal	5.7	3.1
Share-based payments	0.3	0.2
Finance expense	1.4	1.4
Unrealised FX (gains)/losses	0.2	(0.4)
Net working capital	2.2	3.6
Tax paid	(0.0)	(0.0)
Net operating cash flow	**11.0**	**8.6**
Net capital expenditure	(4.1)	(1.9)
Interest	(1.4)	(1.3)
Payment of lease liabilities	(3.8)	(3.4)
Free cash flow	**1.7**	**2.0**
Movement in borrowings	(0.9)	(2.0)
Dividends paid	–	–
Movement in cash and cash equivalents	**0.8**	**0.0**

£m	FY25	FY24
Cash and cash equivalents	2.8	2.0
Borrowings	(1.8)	(2.7)
Net cash/(debt)	**1.0**	**(0.7)**

The reported profit before tax in the year includes £0.3m of non-underlying operating expenses, which resulted in £0.4m of cash outflow (FY24: £2.1m cash outflow).

A reduction in net working capital resulted in a cash inflow of £2.2m in the year (FY24: £3.6m) reflecting controlled investment in inventory and an increased trade payable position. Inventory on hand at the year-end (excluding inventory in transit) was £9.7m (FY24: £8.1m) up 19.8% year on year as we invested in inventory for new stores and increased sales volumes. Total inventory at the year-end was £12.1m (FY24: £9.7m).

Net capital expenditure of £4.1m in the year primarily related to the opening of 12 new stores within the year. In the prior year, net capital expenditure of £1.9m largely related to the investment in the new SSC and two new stores.

As at 30 March 2025, the Group held a current tax asset of £0.1m (FY24: £0.1m) and a deferred tax asset of £0.5m (FY24: £0.7m). We anticipate, based on our current financial projections, that this deferred tax asset will be utilised against taxable profits generated within the next three financial years.

Banking arrangements
The Group has access to a committed £10m Revolving Credit Facility ("RCF") to provide additional cash headroom to support operational and investment activities. Additionally, the RCF agreement provides an accordion option, subject to the lender's approval, to extend the facility by a further £5m.

Shortly before the year-end, on 28 March 2025, the Group successfully arranged a one-year extension to the RCF, which extends the expiry date out to from April 2026 to April 2027. Additionally, the terms in respect of leverage cover have been amended for Q2 test dates for FY26 and FY27 with net debt to be no greater than 3.0x EBITDA. It remains at 2.0x for all other test dates. The fixed charge covenant test remains unchanged, requiring EBITDAR to be no less than 1.4x fixed charges. Both covenants are tested quarterly and are calculated on a last 12 month rolling, pre-IFRS 16 basis.

The Group's ability to meet these covenants has been stress tested as part of going concern and viability considerations, which are described in more detail on pages 124 to 125, and 66 to 67, respectively.

The Group has retained its access to an existing uncommitted £6.0m trade finance facility, which is due to expire on 28 February 2026, although it is expected to be renewed at that date. There is a performance KPI (inventory to payables ratio), which is monitored on a quarterly basis; however, there are no covenants or guarantees or other collateral associated with this facility.

Capital allocation and dividend policy
In normal circumstances, the Board currently believes that, to ensure operating flexibility through the business cycle, it must maintain a minimum unrestricted cash/debt headroom, which the Board reviews on an annual basis, or more frequently as required. Maintaining this headroom provides a level of flexibility sufficient to fund the working capital and investment needs of the Group (as well as set aside an appropriate operating reserve for unexpected events).

The Group's dividend policy targets an ordinary dividend pay-out ratio of 20-30% of profit after tax during the financial year to which the dividend relates. The Board anticipates, under normal circumstances, that it will consider returning surplus cash to shareholders if average cash/debt headroom over a period consistently exceeds the minimum headroom target, subject to known and anticipated investment plans at the time.

The full capital and dividend policy is available on the Group's website at www.procookgroup.co.uk

Dividends
In order to ensure that planned growth investment is self-funded, in areas such as new stores, which will support improved future profitability and cash generation, the Board is not recommending a dividend payment for this financial year.

Treasury Management
The Group is exposed to foreign currency risk through its trading activities. The main source of this relates to stock purchases from non-UK suppliers, which accounts for, approximately, 95% of the Group's annual stock purchases. To manage the exchange rate risk, a mixture of standard ("vanilla") forwards and outperformance trades are utilised. The Group seeks target levels of coverage for future USD payments, as determined by internal forecasts and the Group's Treasury Management Policy.

Given the level of USD transactions and cover obtained via financial instruments, the Group is exposed to a counter-party risk with each of the financial institutions where arrangements are held. The Group manages this risk by ensuring only highly credited institutions are used and limiting the level of exposure with each.

The Group is also exposed to interest rate risk where the Group has financial obligations that give rise to a variable interest charge. To minimise the charges and exposure driven by interest rates, the Group ensures that credit facilities are used optimally in parallel with the latest interest rate information and forecasts.

Tax Strategy
The Group's tax policy is to manage its tax affairs in a responsible and transparent manner in line with our commitment to high corporate governance standards. This ensures the Group complies with the relevant legislation and has due regard to our reputation and, thus, seeks to promote the long-term success of the Group and deliver sustainable shareholder value.

A full copy of the Tax Strategy is available on the Group's website at www.procookgroup.co.uk

Dan Walden
Chief Financial Officer

24 June 2025

Risk management

Geopolitical tensions remain high this year, with ongoing conflicts in Ukraine and Gaza and significant changes in US global trade policy continuing to dominate the news cycle, impacting supply chains and consumer confidence. This uncertain world highlights the importance of developing and maintaining effective risk management processes. During the year, we have continued to develop our internal controls and our risk management framework to improve our ability to effectively manage risk and in readiness for the FRC's 2024 updates to the Corporate Governance Code.

Approach to risk management

Risk management is an integral part of the effective governance and management of the Group, and we continually develop and evolve our risk management framework and associated processes. The Board is ultimately responsible for determining the level of risk the Group is willing to take to achieve its strategic objectives and enhance the sustainability of value creation, including risks that may threaten our business model, future performance, solvency, or liquidity. The Board takes a balanced view on risk to ensure an appropriate position between risk aversion, opportunity, and gains.

The Audit and Risk Committee, with delegated authority from the Board, is responsible for the oversight of the Group's risk management processes and controls. The Executive Directors and Leadership Team ("LT") have responsibility for day-to-day risk management activities, processes, and controls in their respective functions, and support the Audit and Risk Committee in executing their responsibility by ensuring that control processes are operating effectively, risks are being identified and monitored, any control weaknesses are identified and resolved, and changes in the risk environment are being considered.

The Group's approach is set out in our Risk Management Policy, which is reviewed annually by the Board to ensure it remains relevant and appropriate. The risk management and control procedures set out in the Risk Management Policy form part of the Group's management and governance processes:

Identification

Risks are identified through both a top-down approach (strategic risks) as well as a bottom-up (functional risks) approach. Principal risks are identified by the Board and risk appetites are considered and set. Functional risks are identified by LT members or delegates. The Board carefully considers the risks it is willing to take to achieve strategic objectives. New and emerging risks are assessed and determined. The procedure seeks to capture top-down strategic risks and well as bottom-up operational risks.

Assessment

Strategic risks are assessed on at least a six monthly basis during LT meetings. The principal risks are revisited and if necessary, updated on a semi-annual basis, in line with the financial reporting timetable. Functional risks are assessed by the LT members or delegates, through maintenance of the risk and control register. The Risk Register is reviewed for completeness on a regular basis and included in the LT meeting agendas. The Board will complete an annual horizon scanning exercise.

Management

Risks are recorded in the Risk Register by LT members or delegates (risk owners). Every risk on the register is allocated to an individual and appropriate controls are identified and, where necessary, remedial actions are identified. Risk management is embedded in the business operations and functions. The process allows colleagues and the Board to monitor risk, as well as demonstrating a shared responsibility for the management of risks.

Reporting

The Risk Registers and management of risk is monitored and reviewed as part of the LT meeting cadence. Reports over strategic risks and functional risks are generated periodically on no less than a semi-annual basis with support from the Finance team to the LT and from the LT to the Audit and Risk Committee and the Board.

Review

Each Audit and Risk Committee meeting receives an update on risk topics and internal controls and no less than once a year the Board carries out a review of the risk management process and assesses whether any improvements are necessary. The Board re-evaluates risks measures and determines if controls are appropriate, taking into account business planning. The Board completes an annual review of risk appetite.

Communication and Training

The Leadership Team, operational and Group functions receive training and support, and have access to external resources where necessary.

The Group's Risk Management Policy is available online

Read more:
www.procookgroup.co.uk

Risk management framework

Board	Audit and Risk Committee	Executive Directors and Leadership Team	Risk process owners
Ultimately responsible for the Group's risk management system and reviewing its effectiveness • Establishes and communicates the Group's Risk Management Policy • Sets the tone and culture for managing risk across the Group • Reviews overall Group principal risks at least annually • Sets the risk appetite of the Group • Ensures responsibility for specific risks are allocated to individual Executive Directors • Performs an annual horizon-scanning exercise for emerging risks • Considers recommendations from the Audit and Risk committee	Responsible for the oversight of risk management processes and controls • Examines and reviews the Group's risk register and internal control environment at least twice a year • Reports to the Board on the status of the risk management processes • Provides guidance on risk and control improvements • Highlights where minimum expected standards are not met • Makes recommendations to the Board about any requirements for independent assurance • Maintains relationships with the independent Auditor receiving their reports on the control environment and any recommended improvements	Day-to-day responsibility for risk management activities, processes, and controls • Ensures the day-to-day effectiveness of risk management activities • Responsibility for risk prioritisation, identification, and assessment at Functional level • Reviews risk assessments, sharing relevant material to the Audit and Risk Committee/ Board • Completes an annual horizon-scanning exercise for emerging risks • Reviews the Group's risk register on a quarterly basis • Develops functional risk registers aligned to principal risks where appropriate and required, ensuring regular review of the performance of mitigating controls • Takes action to improve the overall control environment, increasing mitigating activities where necessary	Drives and coordinates local risk assessment and compliance with risk management processes • Actively shares knowledge and best practice through contact with other functional leads • Accepts responsibility for the risk, its evaluation, monitoring it and reporting its status • Coordinates and contributes to the development and maintenance of an appropriate control environment, and reporting the ongoing effectiveness of controls • In combination with the Risk Register Owner, updates the risk report to show the current status

Group risk appetite statement

The Board is responsible for setting the risk appetite for the Group and does so taking into consideration the expectations of its stakeholders and members as a whole. The Group's risk appetite statement provides a useful guide to inform strategic decision-making, facilitate the review of risk management, and to set targets against which risk objectives must be progressed.

We are generally more open to strategic and operational risks, recognising the clear growth opportunity ahead, and the need to test and trial new ideas and ways of working. In these areas, we have moderate or higher risk appetite.

We are more cautious with regard to financial, regulatory compliance, Technology, data and cybersecurity, people and culture, and climate change risks. In these areas, we have a lower risk appetite.

The Group has a very low appetite for risks that could damage our brand and reputation, including the health and safety of all our colleagues, customers, suppliers, and any non-compliance to our policies and procedures.

Principal risks and uncertainties

In accordance with the Group's Risk Management Policy, the Board has undertaken a detailed review of the Group's principal risks and uncertainties, including new or emerging risks, and those that could damage our business model, or adversely impact our operational activities or financial performance and position.

There are two current overarching macro themes that continue to have a significant impact on the level of risk that the Group currently faces. These are geopolitical tensions and conflict, which include the wars in Ukraine and the Middle East, and US trade policy, and ongoing depressed consumer confidence in the UK prolonging spend caution, despite some pressures on households lessening in the last 12 months.

These have broad-ranging impacts across our principal risks and uncertainties, and, therefore, have not been presented as individual principal risks themselves.

1 Geopolitical tensions

Russia's invasion of Ukraine and Israel's war on Hamas continue to bring uncertainty to the macro-environment, with ongoing impacts on consumer prices and shipping routes as the Gaza conflict creates instability in the wider Middle East. Additionally, since the change in administration in the United States there have been significant policy shifts towards an America-first trade policy, with uncertainty around the potential of retaliatory tariffs adding volatility to the currency markets. We expect these risks to continue to evolve throughout the year, presenting direct and indirect risks for the Group:

- Inflationary pressures directly impacting business operations and profitability
- Inflationary pressures impacting customers' disposable income and behaviour
- Political uncertainty impacting consumer shopping behaviour
- Disruption and potential for higher costs when shipping goods to the UK
- Far East suppliers reducing production capacity due to lessened US demand
- Heightened geo-political tension and instability could lead to more widespread regional or global conflicts
- Increased foreign exchange volatility
- Increased threats to cybersecurity as warfare continues to evolve into new arenas

2 Consumer confidence

Despite somewhat reducing pressures on discretionary spend in the UK, and an initial improvement in consumer confidence indices after the general election last summer, uncertainty and negative Government messaging around the Budget in October depressed confidence figures again. Together with sticky inflation, giving continued price rises particularly in utilities, council tax and motoring costs, a slowdown in the Bank of England rate cutting cycle, and a risk of price increases due to tariffs, public expectations of economic health over the next 12 months are reducing. We foresee that this could impact us via:

- Inflationary pressures on our cost base including fuel, energy, wages, food, raw materials in product costs
- Reductions in consumer spending, either due to increases in essential costs or wider uncertainty increasing propensity to save, impacting trading performance
- Foreign exchange volatility and heightened cost of debt
- Increased retail selling prices to partly mitigate cost growth, further impacting trading performance
- Increased competition to acquire customers, particularly through direct paid media marketing channels

Changes to our principal risks and uncertainties

The two macro themes set out previously have resulted in changes to either the likelihood or impact (or both) of the principal risks that the Group faces. After the effect of existing or new mitigating internal control activities, the Board considers that the residual risk has, therefore, marginally decreased in two of the principal risks, and has increased in two:

↑ With the resulting global impacts of US trade policy still remaining uncertain and limited progress achieving lasting ceasefire agreements in the two major conflicts which continued throughout the year, **competition, market and macro-economic** risks remain heightened and have increased year on year

↓ **Supply chain risk** has decreased, with the impacts on Red Sea shipping routes from Middle East instability now better understood, built into shipping schedules, and with additional internal controls put in place in the year mitigating some of the ongoing heightened inherent risk in this area

↑ Increasing activity and sophistication of cybercriminals, with sizeable impacts seen at other retailers from ransomware attacks, drives an increased likelihood of **technology platforms, data loss and cybersecurity** risk

↓ **Regulatory compliance** risk reduces, with continued improvement in internal processes and strengthening of policies since last year's assessment

Emerging risks

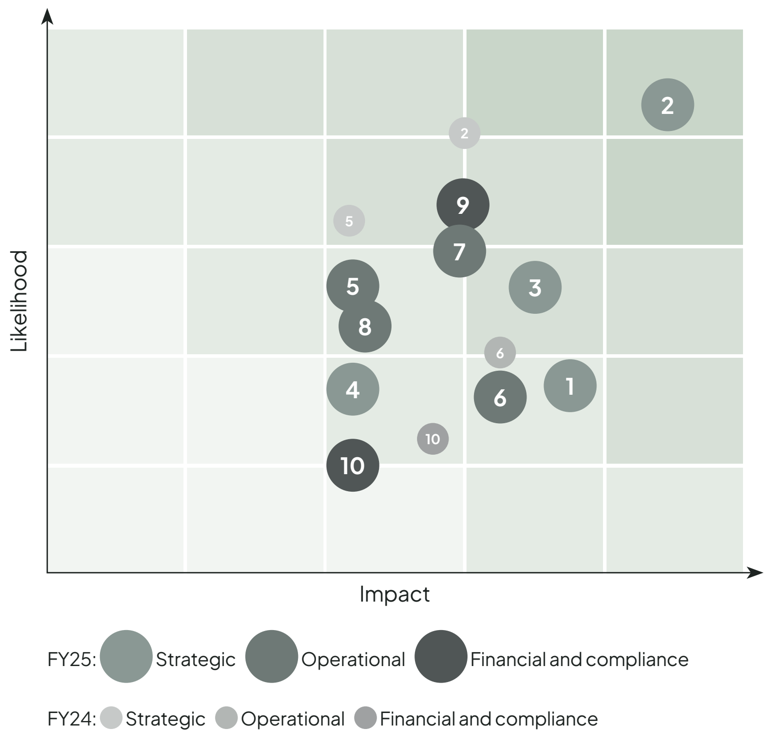
The Board have carefully considered the principal risks and uncertainties, and whether there are any new emerging risks which the Group faces. The principal risks and uncertainties are not exhaustive, and the Group may be exposed to risks wider than those listed, including risks not currently known or identified, or currently deemed to be less material, which may also have an adverse effect on our activities.

Awareness of emerging risks is important to support strategic planning and decision-making, and to identify mitigating actions and controls which may be required as events and risks evolve. This year, the Board considers to key emerging risks and uncertainties to be:

- Far Eastern sourcing reliance, with impacts on factories uncertain as high US tariffs and retaliatory measures having the potential to significantly change the balance of these major economies, and ongoing geopolitical tensions between China and Taiwan
- AI and the heightened pace of technological change giving both opportunities to the Group but the risk of competitors leveraging improvements faster or more effectively
- Further UK Government policy changes, with manifesto pledges to not increase tax on individual taxpayers meaning in the October Budget that requirements to increase Treasury revenues were met by businesses such as by increasing National Insurance costs. We consider that further cost increases or the removal of reliefs may be used in order to meet the Fiscal Rules, with impacts on profitability and/or tax burden for the Group

Principal risk heatmap

The heat map diagram illustrates the Board's assessment of the principal risks and uncertainties, and their movement year on year after the effect of existing or new mitigating internal control activities:



Principal risks and uncertainties
Continued

How our principal risks and uncertainties link to our strategy

The table below highlights how our principal risks and uncertainties link with our strategic priorities, as set out on pages 12 to 23.

Ref	Principal risks and uncertainties	Change vs FY24	1	2	3	4
1	Strategy and business change	No change	■	■	■	■
2	Competition, market and macro-economic	Increase	■		■	
3	Brand and customer	No change	■		■	■
4	Climate change	No change	■	■	■	■
5	Supply chain	Decrease	■	■		■
6	Technology platforms, data loss and cybersecurity	Increase	■	■	■	■
7	Marketing effectiveness	No change	■			
8	People and culture	No change	■	■	■	■
9	Financial and treasury	No change	■	■		
10	Regulatory compliance	Decrease	■	■	■	■

Strategic risks

1 Strategy and business change

Our failure to identify and successfully execute appropriate strategies to develop and grow the brand over the medium to long term could be affected by a range of factors, including changes in competition or products, consumer behaviours and trends, inadequate change management or leadership. This could slow or limit the growth of the business, distract from and/or damage the overall customer proposition, incur additional cost, or serve to demotivate colleagues if not led effectively.

Risk appetite

Open (moderate to high)

Link to strategy

1 2 3 4

Board oversight

- Annual Board strategy planning day and 3-5 year financial plan review
- Periodic strategic progress updates
- Rotational deep dive strategy sessions at each Board meeting

Context and potential risk impacts

There are currently three business-critical strategic programmes underway, including:

1. Expanding our UK store network
2. Enhancing customer experience online
3. Supply chain transformation

Each of these have their own inherent risks and require effective programme management and leadership to deliver alongside the full strategic programme, at pace, on time and within budget

Read more: Our strategy on pages 03 to 67

Potential risk impacts include:

- Failure to meet financial or other non-financial targets
- Reduced or limited business growth
- Disruption to core business operations which could impact performance
- Failure to retain colleagues, or loss of colleague engagement
- Loss of focus on core business activities
- Delays in strategy execution may lead to a loss of investor confidence

Mitigations

- Medium to long-term business strategy is developed and reviewed by the Board at least annually
- Steering Groups established for key projects reporting to the Board
- Clear accountability for strategic execution is delegated to the Executives and progress monitored by the Board
- Experienced leadership and development of the Leadership Team within a performance and growth culture
- Use of external expert advisors to support strategy development and execution where appropriate
- Use of trial/experimentation methodologies for agile change programmes to monitor change impacts

2 Competition, market, and macroeconomic

Our failure to adapt to changing consumer needs given external macro factors, and to maintain a compelling customer offer compared to competitors could limit or reduce profitability and opportunities for growth. Macro-economic factors which reduce consumer confidence and/or disposable incomes or create additional cost pressures could impact revenue growth and profit generation.

Risk appetite

Open (moderate)

Link to strategy

1 2

Board oversight

- Monitoring market share, competitor, and customer data
- Reviewing and challenging sales performance and cost base efficiency in periodic Board reports
- Developing and monitoring strategic and operational action plans

Context and potential risk impacts

Consumer confidence in the UK remains low and is impacted by uncertainty around global trade, escalating geopolitical tensions, and doubts around the speed of economic recovery. While the kitchenware market remains stable, the number of competitors continues to increase and previously US-bound volumes from China may be redirected to the UK market at a discount, or access to China-produced goods (on which the Group is heavily reliant), could become restricted

Potential risk impacts include:

- Reduced profitability and inhibited growth opportunities
- Loss of market share to competitors
- Pricing volatility in costs such as fuel, energy, raw materials, marketing, shipping and labour
- Reduced new customer acquisition
- Slower repeat purchase frequency
- Lower average transaction values
- FX and interest rate volatility or higher costs

Mitigations

- Strong and varied LT and Board, with experience across various markets and experience from previous macro-events
- Focus on exceptional value and high-quality service with KPIs monitored by the Leadership Team
- Continual monitoring of market performance, and competitor activity including pricing and promotions
- Continued focus on customer lens through NPS metrics and customer focus group
- Investment in technology and supply chain capabilities to improve customer experience
- Regular range refresh to attract new and repeat business with 278 new products launched in FY24
- Retained "Which?" certification and obtained B Corp status, focusing on customer demand for sustainable, high-quality products
- Comprehensive foreign exchange hedging policy and robust coverage in future periods
- Prudent cash management and preservation to minimise debt interest costs
- Identification of business efficiencies, and close working with suppliers to mitigate cost pressures

Link to strategy: 1 Accelerate profitable sales growth; 2 Improve operating efficiency; 3 Create a great place to work; 4 Be a force for good

Risk impact change year on year: No Change; Increase; Decrease

Principal risks and uncertainties
Continued

3 Brand and customer

Reputational damage leading to loss of consumer confidence in ProCook products or services, which could be caused by a variety of factors including customer data loss, product quality, health and safety, level of direct marketing activity, ethical or sustainability concerns, poor customer service, or regulatory non-compliance.

Risk appetite
Cautious (low)

Link to strategy
1 3 4

Board oversight
- Monitoring market share, competitor and customer data
- Reviewing and monitoring Trustpilot review KPIs and data
- Regular technology updates and review of Disaster Recovery plans
- Review and approval of the ESG strategy

Context and potential risk impacts
The risk of reputational damage to the brand is considered similar to last year, with strong service metrics and multiple external product awards, together with reduced discount messaging, improving brand strength.

The inherent risk remains given the macro conditions that consumers choose to divert discretionary spend away from kitchenware products while cost-of-living pressures persist

Potential risk impacts include:
- Lower new customer acquisition
- Loss of existing customers and repeat business, and lower life-time value
- Reduced revenue growth and lower profitability
- Loss of market share to competitors
- Lower colleague retention due to a decrease in engagement with the brand

Mitigations
- Rigorous product quality testing and certification, accompanied by strong warranties. Robust supplier selection with Sedex monitoring to ensure strong ethical and environmental compliance through audits of labour standards, health and safety and environmental assessments
- Technology vulnerability and penetration testing with continual security capability improvement, Payment Card Industry and Data Protection compliance
- Colleague code of conduct and business culture, monitoring colleague engagement and Glassdoor ratings
- Monitoring of brand health metrics including Trustpilot reviews and NPS in our customer focus group
- Continued focus on sustainability recognised with B Corp certification

4 Climate change

Any failure to implement our ESG ambitions within acceptable timescales and deliver on stakeholder expectations to reduce the environmental impact of our business and progress towards our net zero targets. These include actions linked to our ESG strategy and managing any potential adverse consequences of climate change on our business. Failure to meet the expectations of our customers, colleagues, investors and other stakeholders, may impact our brand reputation and future trading performance.

Risk appetite
Cautious (low to moderate)

Link to strategy
1 2 4

Board oversight
- Deep dive review sessions on ESG provide opportunity to challenge
- Review and approval of the ESG strategy

Context and potential risk impacts
ProCook remains committed to reducing our environmental impact and raising awareness of climate change across our stakeholder groups

As we transition towards a low-carbon economy there are a variety of potential risks to strategy execution and financial performance including:
- Increasing frequency of natural disasters, which could impact our operations, including our supply chain
- Legal and compliance changes, which may disrupt our operations and increase costs (including taxation)
- Reputational damage due to insufficient progress or compliance failure, which could also result in lower colleague engagement
- Changes in customers preferences that may require product or proposition changes, which could increase costs

Mitigations
- Focus at Board, Executive and Leadership Team. ESG Committee meets quarterly to oversee progress. Green Team meets monthly to implement actions and generate new ideas
- ESG strategy developed by ESG Committee and ESG Director and approved by the Board
- Departmental sessions to engage colleagues with our net zero roadmap
- Continued partnership with Ecologi to mitigate unavoidable Scope 1 and 2 CO_2 emissions
- B Corp certification awarded in September 2022, working towards September 2025 recertification
- Electric vehicle fleet for all company cars and colleague salary sacrifice scheme, renewable energy sources in all UK locations, BREEAM-certified Store Support Centre
- Removal of all unnecessary product packaging (including single-use plastic) across our range
- Comprehensive environmental management system in place for monitoring water, waste, energy and CO_2 emissions
- Environmental marketing to promote sustainable choices

Link to strategy	1 Accelerate profitable sales growth	2 Improve operating efficiency	3 Create a great place to work	4 Be a force for good
Risk impact change year on year		No Change	Increase	Decrease

Principal risks and uncertainties

Continued

Operational risks

5 Supply chain

Failure to source products effectively and efficiently, potentially relating to geopolitics surrounding Far East manufacturing reliance, or to ensure inventory is maintained in the right volumes at the right locations could adversely impact our short and medium-term operational and financial performance.

Risk appetite

Open (moderate)

Link to strategy

1 2 4

Board oversight

- Deep dive review sessions on supply chain provide opportunity to challenge
- Review and discussion of Stock and Supply Chain Reports each Board meeting

Context and potential risk impacts

The Group sources products from established suppliers around the world, with the majority of products sourced from Far East manufacturers, and imports them directly to our Distribution Centre in the UK from where we despatch products to couriers for home delivery or to our retail stores

The geo-political tensions between China and US continue, and may escalate further, and the UK government or consumer may force a shift in the Group's sourcing strategy away from China which could be disruptive and/or increase costs for the Group

The Israel war on Hamas and conflict in the wider Middle East continue to mean shipping is avoiding the Suez Canal, but the longer transit times are now built into schedules and initial cost inflation has subsided, reducing related risk compared to last year, however, supply chain risk could still manifest via:

- Delays in product shipments could lead to inventory shortages, availability issues and possible loss of revenue
- Increased costs from input or raw material costs, and/ or higher costs of shipping, could reduce gross margins, or require increased selling prices, which may reduce revenue
- Delays in order shipment to customers may damage the overall customer experience and impact brand reputation
- Geo-political tensions or future wars or pandemics may impact our ability to source products of sufficient quality, when needed and at the right price
- Higher inventory levels may lead to increased costs of storage and logistics and lower free cash flow

Mitigations

- Continuous communication with product and freight suppliers
- Earlier ordering of product intake during periods of manufacturing and shipping disruption
- Robust inventory management including intake planning and availability optimisation. Monitored by weekly reviews with Leadership Team
- Use of well-established outbound suppliers with monthly performance review meetings
- Our new central Distribution Centre brings inventory into one location and has added capacity for growth
- Product supplier base exceeds 100 established suppliers providing flexibility and resilience
- Operational resilience through the use of multiple outbound suppliers for both Retail and Ecommerce orders protecting against network disruption
- Review of near-shore sourcing potential, including meeting with potential UK and EU suppliers

6 Technology platforms, data loss and cyber security

Any failure to develop and maintain appropriate technology to support operations, including the timely adoption of newer technologies (such as Artificial Intelligence, Machine Learning and Robotics), or the loss of key platforms or data due to cyber-attacks or other failures without an adequate response, could lead to reputational damage, fines or higher costs, or a loss of stakeholder and customer confidence in our Brand.

Risk appetite

Cautious (low)

Link to strategy

1 2 3

Board oversight

- Deep dive review sessions on Technology roadmap and strategy provide opportunity to challenge
- Review and discussion of Technology and Cyber Security Report each Board meeting
- Approval of Tech Strategy each year and regular monitoring of development roadmap delivery

Context and potential risk impacts

Robust technology systems are vital to support our business operations including inventory and supply chain management, recording and processing customer transactions, and in analysing performance results and customer data

The increasing sophistication and frequency of malicious cyber activity, including targeting of UK retailers in recent months heightens inherent risk in this area

Our reliance on third parties to provide technical services including hosting and digital technology presents risks that we do not have full control over

- Loss of access or functionality could result in loss of revenue and/or reputational damage and could require significant investment to remediate
- Loss of customer data could cause reputational damage, impact our operations and/ or result in breach of regulations with potential financial penalties
- Delayed or unsuccessful implementation of new technologies as our business evolves and becomes even more digitally led could disrupt business operations, slow the pace of strategic progress, or result in higher costs

Mitigations

- Robust security procedures, policies and protocols established, and strengthened further in light of recent competitor attacks, including disaster recovery plans and system documentation
- High level of system monitoring and "on-call" procedures support high level of system up-time (>99.9% in FY25)
- Test and deployment and change management procedures established for technology deployments
- External expertise utilised to support system monitoring, Data Protection and Payment Card Industry compliance
- Regularly perform vulnerability scanning and penetration testing procedures to assess status and identify security and system resilience improvements to make

Link to strategy	1 Accelerate profitable sales growth	2 Improve operating efficiency	3 Create a great place to work	4 Be a force for good
Risk impact change year on year		— No Change	↑ Increase	↓ Decrease

Principal risks and uncertainties
Continued

7 Marketing effectiveness

The Group's future performance depends on customer acquisition and retention with cost-efficient marketing spend, appropriate creative messaging and relevant media mix. Any failure to attract new customers and retain existing customers in a cost-effective and engaging way could impact short-term performance and medium-term strategic growth ambitions.

Risk appetite
Cautious (moderate to high)

Link to strategy
1

Board oversight
- Monitoring and challenging performance across customer and relevant financial KPIs
- Regular deep dive sessions on customer and marketing activity
- Reviewed and approved the brand purpose and customer promise framework

Context and potential risk impacts
ProCook has a significant opportunity to grow brand awareness in the UK and expand our customer base. Effective marketing activity is critical to achieve this

Competition to attract and convert customers can result in higher costs of marketing and increased promotional activity and discounting. While consumer confidence remains low, customers are likely to be more price-driven and take greater consideration prior to purchase which could have the following potential impacts:

- Failure to attract new customers and successfully grow brand awareness could limit the achievement of our strategic objectives
- Lower marketing effectiveness (either in engagement or cost) could result in lower revenue from fewer new customers or falling repeat rates, and higher costs/lower profits
- Increased promotional discounting, or higher frequency of communications could deter certain customers and has the potential to damage brand reputation

Mitigations
- The Group ensures the CEO and Marketing Director sign off key messaging and spend within a defined budget
- Monitoring of detailed marketing metrics against budgets, including Return On Ad Spend ("ROAS") and Cost per Acquisition ("CPA")
- Communications Framework established to sign off customer messaging
- Attracted 737,000 new customers during FY24, grew our number of active customers (L12M) to in excess of 1,100,000
- Refinement of our brand purpose and proposition to provide a "North Star" for all marketing activity
- Continually assess, test and trial new recruitment channels, while optimising our paid media mix
- Established CRM platform, which acts as email service provider to consolidate activity and improve retention capability through segmentation and data analytics

8 People and culture

Any failure to attract, retain and develop the right talent, skills and capabilities or to successfully protect and develop our culture could impact operational activities, including customer service and our longer-term strategic objectives.

Risk appetite
Cautious (low)

Link to strategy
1 2 3 4

Board oversight
- Deep dive review sessions on people and culture strategy provide opportunity to challenge
- Review and discussion of People Report each Board meeting
- Review of annual engagement score results and associated improvement plans
- Designated NED attends Colleague Advisory Panel and reports to the Board
- Succession planning reviewed by the Nominations Committee

Context and potential risk impacts
ProCook employs over 600 committed and talented colleagues. Creating a great place to work, and protecting our culture is critical to our continued success in attracting and retaining top talent

Current and potential colleagues continue to show greater preference for roles with purpose and greater flexibility to support their own life choices

Key risks include:
- Loss of existing expertise and knowledge which could impact operations or delivery of strategic objectives
- Increased risk of cost growth through total reward inflation due to macro-factors
- Higher level of colleague absence or reduction in colleague engagement could impact our operations and customer service

Mitigations
- Monitoring of colleague engagement, turnover and other metrics by the Leadership Team and Board
- Established annual appraisal reviews, objective setting and performance related reward
- Continued investment in learning and development programmes, and personal development plans
- Leadership training programme established in FY24, with two cohorts now having completed
- Established Code of Conduct explained to all new starters
- Comprehensive policies including Diversity and Inclusion, Mental Health and Well-being, Stress, and Menopause policies
- Clearly defined business values to help protect and develop our culture
- Continued commitment to fair reward including the Real Living Wage
- Awarded Great Place to Work™ certification for a fourth consecutive year in FY25

Link to strategy	1 Accelerate profitable sales growth	2 Improve operating efficiency	3 Create a great place to work	4 Be a force for good
Risk impact change year on year		No Change	Increase	Decrease

Principal risks and uncertainties
Continued

Financial and compliance risks

9 Financial and treasury

Any failure to effectively manage our financial affairs and ensure an appropriate financial position and sufficient liquidity for future growth, or any failure in financial planning, financial reporting, compliance with tax legislation, or the maintenance of a robust financial control environment, could impact our ability to deliver our strategic objectives, as well as have an adverse impact on business viability.

Risk appetite
Cautious (low)

Link to strategy
1 2 3 4

Board oversight
- CFO reports reviewed and discussed at each Board meeting
- Annual budget and re-forecasts reviewed and approved by the Board
- Audit and Risk Committee reviews financial control framework and risk management framework
- Various policies reviewed and approved by the Board including Treasury Policy and Capital Allocation Policy

Context and potential risk impacts

The macro-environment continues to require greater level of focus on cash, foreign exchange management, covenant management, and forecasting and reporting. We continue to focus on these ensuring that we have appropriate liquidity headroom, to support our operational performance and strategic objectives

Continued FX volatility is likely given the geo-political environment, including US trade policy, and while inflation and interest rates have fallen in the year the pace of their reduction has slowed

Other potential risk impacts include:
- Inaccurate or untimely financial reporting may result in misguided decision- making impacting future performance
- Non-compliance with regulatory requirements including tax could result in fines or penalties and damage our reputation
- Failure in financial controls could result in loss of business assets or higher costs reducing profitability
- Loss of business flexibility if insufficient liquidity headroom maintained to support working capital or investment decisions

Mitigations
- Established relationships with banking partner with £10m available RCF undrawn at year-end and movement to net cash position from prior net debt position year on year
- External professional support utilised where required for technical advice
- Foreign exchange hedging undertaken to help mitigate risk of volatility within approved Treasury Policy
- Robust approach to budgeting and forecasting throughout the year
- Financial Position, Prospects and Procedures documentation reviewed annually by the Board
- Finance Risk Register and process documentation established and continually developed
- Continual focus on strengthening financial controls including process automation and systems integration

10 Regulatory compliance and corporate responsibility

Any failure to comply with legal and regulatory obligations, or our wider corporate responsibility could result in financial or legal exposures, or damage to our reputation with our Stakeholders, as a responsible brand.

Risk appetite
Cautious (low)

Link to strategy
1 2 3 4

Board oversight
- Corporate governance topics reviewed and discussed at each Board meeting
- CFO reports to the Board on any key internal policy changes seeking approval where needed
- Audit and Risk Committee review regulatory risks as part of risk management procedures

Context and potential risk impacts

We are committed to compliance with all relevant regulations

The legal and regulatory landscape in which we operate remains stringent and is subject to frequent changes and updates, which require us to adapt our operational and compliance procedures

Any failure to remain compliant could result in a range of potential risk impacts including:
- Adverse publicity, which could damage customer or other stakeholder confidence, and potentially impact revenue growth, profitability or funding
- Fines or other penalties for non-compliance, or costs in relation to any legal proceedings or remedial actions
- Potential injury or loss to a colleague, customer or other stakeholder (particularly in the event of a Health and Safety issue)
- Loss of focus on business operations and strategic objectives in the event of a significant compliance breach

Mitigations
- Group policies and code of conduct shared with colleagues and training provided
- External professional advice obtained on relevant matters, e.g. GDPR, property legal advice, employment advice, tax advice
- Head of Health and Safety leads the development of the Groups' Health and Safety Policy and completes site audits and maintains incident reporting and monitoring
- Established policies and procedures for technical topics such as Trading Standards, WEEE, Waste Management, Market Abuse Regulations, GDPR, PCI, which are overseen by senior management
- Company Secretary facilitates ongoing review of governance best practice with the Board

Link to strategy	1 Accelerate profitable sales growth	2 Improve operating efficiency	3 Create a great place to work	4 Be a force for good
Risk impact change year on year		— No Change	↑ Increase	↓ Decrease

Assessing long-term viability

In accordance with the UK Corporate Governance Code, the Board of Directors is required to assess the viability of the Group over a longer time period than is required in respect of going concern, to determine whether it has a reasonable expectation that it will be able to continue in operation and meet its liabilities as they fall due, and to issue a "Viability Statement".

As part of this assessment, the Board has considered the future prospects of the Group by reference to its current financial position, recent trading performance and market outlook, forecasts and financial projections, its strategy and business model, and its principal risks and uncertainties.

The Board has determined that a three-year viability assessment period covering the three financial years ending March 2028 appropriately reflects the speed of change in the retail and consumer environment and is consistent with the Group's annual strategic planning cycle. This time period provides a reasonable balance between the long-term nature of investments and the key drivers of near-term business performance.

The Directors have considered the Group's principal risks and have assessed the impact of a range of downside scenarios, including a severe but plausible downside scenario, on the Group's expected financial performance, position and cash generation. The scenarios have been informed by a comprehensive review of the macro-economic environment, including consideration of slowdown in the Bank of England base rate cutting cycle, reduced yet persistent inflationary pressure, risks associated with increased tariffs and other geo-political tensions including the impacts on our supply chain.

Consideration has been given to the availability of facility headroom and covenant compliance within the Group's financing facilities, the recently extended RCF agreement and amended leverage charge covenant terms, details of which are as follows:

- The Group's bank facility agreements and the associated covenants are set out in the CFO's Review within this report and include a committed £10m RCF, with a £5m accordion option to the RCF, subject to lender approval, and an uncommitted £6m trade finance facility.
- On the 28 March 2025, the Group successfully arranged a one-year extension to the RCF, which extends the expiry date out from April 2026 to April 2027. Additionally, the terms in respect of leverage cover have been amended for Q2 test dates for FY26 and FY27 with net debt to be no greater than 3.0x EBITDA. It remains at 2.0x for all other test dates. The fixed charge covenant test remains unchanged, requiring EBITDAR to be no less than 1.4x fixed charges.
- The Group ended the financial year with net cash of £1.0m, with £2.8m cash and cash equivalents and drawings on the trade finance facility of £1.8m with available liquidity headroom of £17.0m.

The base case for the scenario modelling extends from the Group's annual budget plan that was approved by the Board in March 2025. Forecasts for FY27 and FY28 are based on the Group's strategic objectives and its medium term financial plan, which projects forwards from the latest FY26 budget.

Key assumptions include Ecommerce and Retail like-for-like ("LFL") revenue growth, gross margin performance, the financial impacts of opening of new stores (including capital investments and time to maturity), operational efficiencies being delivered, investment in marketing activity, and the appropriate level of inventory required to maintain strong product availability for customers.

In their consideration of the Group's principal risks and uncertainties the Board believes that the most likely and most impactful risks that the Group faces are those surrounding geopolitical tensions and the resulting macro-economic factors, including supply chain disruption risk, and depressed consumer confidence having the potential to drive a longer time reduction in demand and a resulting increase in competition within the kitchenware market.

The Board has reviewed the potential downside impact of these risks unfolding, modelled under a number of scenarios including a severe but plausible downside scenario, which reflected the following assumptions:

- A significant reduction in customer demand and shopping frequency, caused by continued disposable income pressures and consumer caution in light of economic uncertainty, and additional cost impacts driven by continued supply chain disruption associated with the Suez Canal diversions and other geo-political tensions. The impacts of these factors have been reflected in a 10% lower revenue performance in the FY26 year compared to base case, increasing to a 15% decrease in FY27 and an 18% decrease in FY28, combining to reflect a 62% reduction in Group revenue growth over the assessment period compared to the base case.
- Fewer new store openings in both FY27 and FY28 are included on the basis that there would be lower management confidence of positive return on investment from such openings.
- A reduction in gross margins in FY26 of -100bps increasing to -200ps for both FY27 and FY28 compared to the base case to reflect the risk of heightened supply chain costs and potential increased promotional requirements to stimulate demand in a more competitive market.

Under this severe but plausible downside scenario, and before mitigating actions, the Group would remain within its available borrowing facilities throughout the assessment period and remain compliant with all covenants related to its banking arrangements.

The Board has also reviewed a reverse stress test, which has been applied to the base case model to determine the level of sales decline that would result in a breach of financial covenants. A reduction in revenue, with no mitigations applied, of 12%, compared to the base case in FY26, would be required to breach the fixed charge covenant at the quarter two test date in FY26. A further reduction in revenue of 18% in FY27 and 21% in FY28 would be required to breach the fixed charge covenant at the FY28 test dates. The sales decline required to trigger a breach of the fixed charge covenant would need to be sustained over a number of months, with mitigating actions available to Management, which have not been factored into the scenario. Such a scenario is, therefore, not considered by the Board to be reasonably likely to occur, or to threaten the viability of the Group over the three-year assessment period.

The Board has also considered the potential impacts of climate change risks (as set out on pages 42 to 44). These are not considered to have a material effect on the Group's financial projections over the assessment period.

If any of the downside scenarios were to arise, including the severe but plausible downside scenario and the reverse stress test scenario, there are a series of mitigating actions that the Group could seek to implement to protect or enhance financial performance and position including to:

- Increase selling prices for products that have lower price elasticity to help offset additional sourcing costs
- Increase promotional activity to accelerate trading performance and reduce stock levels, or alternatively, reduce promotional activity to better protect gross margins
- Reduce paid media marketing spend and postpone or reduce other planned marketing activities
- Reduce variable costs in operational functions to reflect the lower sales volumes
- Reduce central overhead costs (including headcount investment) over the short or medium term
- Delay new store openings or capital expenditure in technology and logistics
- Renegotiate or seek extended payment terms with suppliers on a permanent or temporary basis
- Seek alternative forms of financing or new banking terms to support working capital and investment requirements

Conclusion

The Board has undertaken a comprehensive review and assessment of long-term viability over the period to March 2028. Having reviewed current performance, financial projections under a variety of scenarios related to the Group's principal risks and uncertainties, total facilities and liquidity (including the reduced liquidity risk resulting from the revised leverage covenant attached to the RCF), and debt servicing requirements, the Board expects the Group to have adequate resources to continue in operation, meet its liabilities as they fall due, and retain sufficient available liquidity across all three years of the assessment period. The Viability Statement can be found on page 112.

This Strategic Report from page 3 to 67 was approved by the Board of Directors on 24 June 2025 and signed on its behalf by:

Lee Tappenden
Chief Executive Officer

Dan Walden
Chief Financial Officer

Chair's governance letter

"The Board carefully balances best practice governance with strategic focus to promote the long-term success of the Group for the benefit of all stakeholders."

Greg Hodder
Chair

This Governance Report describes our corporate governance structures and processes and how they have been applied during the financial year ended 30 March 2025.

As Chair, my role is to ensure that the Board is operationally effective, carefully balancing best practice governance procedures and strategic support and challenge to the Executive Directors (and wider Leadership Team) to promote the long-term success of the Group for the benefit of all stakeholders. I seek to ensure that Board proceedings are structured and conducted in such a way as to allow all Directors to have the opportunity to express their views openly and that, in particular, the Non-Executive Directors can provide constructive support and challenge to the Executives.

During the last year, we welcomed Meg Lustman to the Board as Non-Executive and Chair of the Remuneration Committee with effect from 25 June 2024 following the decision by Luke Kingsnorth to step down from the Board to focus on other professional commitments.

More about my role, and the roles of all the Directors and Committees, can be found on pages 72 to 75.

Strategy execution

The Board maintains a detailed focus on the Group's strategy and the proper execution of the actions and initiatives that will support progress. The strategy was refreshed during FY24 and has been revisited in detail with the Executive Directors and wider Leadership Team during FY25 to review progress one year on, and to ensure the actions and strategic priorities being pursued in the years ahead are those that would most likely ensure the long-term success of the business for all stakeholders.

Further details of our Board activities and discussions, and how these contributed to strategy, can be found on pages 76 to 79.

Governance best practice

The Board continues to review and improve its governance framework and policies, while monitoring changes (and their potential impacts) to the UK Corporate Governance Code, including the updates which came into effect from January 2025 and the new Financial Conduct Authority Listing rules which came into effect in July 2024. Over the year ahead, the Board will continue to work with external advisors to continually assess and improve our governance arrangements in line with the expectations of our stakeholders, the needs of the Group, and best practice principles.

Board effectiveness

During February 2025, we completed an internal evaluation of the Board and its Committees. The purpose of the evaluation was to review the effectiveness of the Board, its Committees and individual Directors. The evaluation was facilitated via an anonymous questionnaire, through which the Directors were able to provide feedback on a range of matters relevant to Board, Committee and individual performance. The results were shared with the Directors and discussed at the March 2025 Board and Committee meetings.

I am pleased that, following careful review of the evaluation results, we collectively concluded that the Board and Committees continue to operate effectively. While cognisant of the significantly increased diversity of the Senior Leadership Team achieved over the last eighteen months, it was, again, noted that the diversity of the Board could potentially be improved in the future.

Annual General Meeting

The 2025 AGM will take place on 10 September 2025 at ProCook, 10 Indurent Park, Gloucester, GL10 3EZ. Shareholders are strongly encouraged to register their proxy votes online, regardless of whether they plan to attend the AGM in person. Further details are included in the Notice of AGM, which will be sent to shareholders within the prescribed timescales. I look forward to meeting those of you who are able to attend.

Greg Hodder
Chair

24 June 2025

Compliance with the UK Corporate Governance Code

The Company is required to report on its compliance with the principles and provisions of the 2018 UK Corporate Governance Code (the "Code"), a copy of which is available at www.frc.org.uk. The Board considers that it has complied in full with the Code's principles and provisions during the period, with the exception of Provision 11, which specifies that at least half the Board, excluding the Chair, should be Non-Executive Directors whom the Board considers to be independent. The Board acknowledges the importance of this provision and considers that the introduction of Daniel O'Neill as a non-independent Non-Executive Director last year, which has led to the imbalance, remains the right decision for the Group at this time, given Daniel's unparalleled experience as founder of ProCook. The Board is committed to keeping this under review when considering the Board's succession planning and future composition.

Further information on how the Group has complied can be found on the following pages:

Leadership and purpose: pages 76 to 79

Division of Directors' responsibilities: pages 74 to 75

Composition, succession and evaluation – Nomination Committee Report: pages 84 to 85

Audit, risk and internal control – Audit and Risk Committee Report: pages 86 to 89

Remuneration – Remuneration Report: pages 101 to 107

Governance framework

The Board comprises the Chair, two independent Non-Executive Directors, one non-independent Non-Executive Director, and two Executive Directors.

The Board keeps a formal schedule of matters specifically reserved for its decision. These include the approval of the annual and half-yearly results and associated announcements, recommendation of dividends, convening of shareholder meetings, Board appointments, strategic plans and budgets, ESG plans, significant capex proposals, acquisitions, systems of internal control and risk management and corporate governance arrangements. No one Board member has the power to make decisions on behalf of the Board without the sanction of the other members.

The Board has formally delegated specific responsibilities for audit, risk management and financial control, Board composition and remuneration to three standing Committees, namely the Audit and Risk Committee, the Nomination Committee and the Remuneration Committee, respectively. Each is chaired by the Chair or an independent NED, enabling the Non-Executives to take an active role in influencing and challenging the work of the Executive Directors. The Terms of Reference of the Committees are reviewed on a regular basis.

The Board has also established the Disclosure Committee to oversee the identification, management and disclosure of inside information concerning the Group. The Committee comprises the CEO, CFO and Senior Independent Director and meets on an ad hoc basis as required.

Board responsibilities

Purpose, Mission and Strategy

- Setting, developing and role modelling our purpose and business values
- Setting the strategy and mission to deliver on the Group's purpose and promote the continued performance and growth of the Group over the long term in the interests of all stakeholders
- Ensuring that appropriate resources are in place to successfully deliver the Group's mission and strategic priorities

Governance

- Instilling and maintaining a positive culture that encourages strong ethical behaviours
- Ensuring that the business control environment is appropriate and operationally effective, and that sound risk management practices are in place
- Oversight of succession planning and talent management
- Setting an appropriate remuneration policy to attract and retain talent
- Ensuring that appropriate information is shared with stakeholders in a transparent way
- Ensuring full compliance with the UK Corporate Governance Code

Performance

- Reviewing performance at an operational and strategic level
- Reviewing the performance of the Board, the Executive Directors and the Leadership Team
- Ensuring that the Board is well equipped with appropriate skills and expertise, and that Committee memberships are appropriate and effective

Board and Committee governance structures: How we govern

ProCook Group plc Board

The Board of Directors as at the date of this report has six members comprising the Chair, two Executive Directors, two Independent Non-Executive Directors and one non-independent Non-Executive Director.

For Directors' biographies see pages 72 to 74.

Audit & Risk Committee

The Committee is made up of two Independent Non-Executive Directors

Key responsibilities:

Reviewing the adequacy and effectiveness of the Group's internal financial reporting and internal control policies and systems

Monitoring the integrity of the financial statements of the Group and any formal announcements relating to financial performance

Overseeing the Group's arrangements for its people to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters

Reviewing the Group's procedures for detecting fraud and preventing bribery and money laundering

Overseeing the effectiveness and performance of the external Auditor and making recommendations to the Board regarding their appointment or removal

Advising the Board on the Group's overall risk appetite, tolerance and strategy, and principal and emerging risks

Monitoring and reviewing the effectiveness of the Group's risk management framework

See page 86 for the Audit and Risk Committee's Report

Nomination Committee

The Committee is made up of the Chair, and two Independent Non-Executive Directors

Key responsibilities:

Reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any required changes

Ensuring plans are in place for orderly succession to the Board and senior management positions and overseeing the development of a diverse pipeline for succession

Reviewing the leadership needs of the organisation, both Executive and Non-Executive, with a view to ensuring the continued ability of the organisation to successfully deliver the Group strategy

Identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise

Evaluating the balance of skills, knowledge, experience and diversity on the Board, and, in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment

Reviewing the time required from Non-Executive Directors. Performance evaluation is used to assess whether the Non-Executive Directors are spending enough time fulfilling their duties

See page 84 for the Nomination Committee's Report

Remuneration Committee

The Committee is made up of the Chair, and two Independent Non-Executive Directors

Key responsibilities:

Recommending to the Board the over-arching principles, parameters and governance framework of the Group's remuneration policy

Determining, within that framework, individual remuneration and benefits packages of each of the Chair, Executive Directors and senior management

Reviewing the design of all share incentive plans for approval by the Board and, where required, shareholders

See page 90 for the Remuneration Committee's Report

Colleague engagement NED

Meg Lustman is the designated Non-Executive Director for Colleague Engagement

The key purpose of this role is to ensure the views and concerns of the workforce are brought to the Board and considered. In doing so this role seeks to:

- Understand the concerns of colleagues by either attending or reviewing minutes of Colleague Advisory Panel meetings
- Articulate and share insights from colleague feedback in Board meetings
- Ensures the Board, and particularly the Executive Directors, take appropriate steps to evaluate the impact of proposals and developments on colleagues and consider what steps should be taken to mitigate any adverse impact
- Feed back to the Colleague Advisory Panel on any relevant Board plans or responses to their feedback

The designated NED is not involved in the company's whistleblowing procedure.

See page 47 for further detail on Colleague Engagement

Terms of Reference for each of the Committees are available on ProCook's website at www.procookgroup.co.uk

Board meetings

In advance of Board meetings, Board Directors are provided with an agenda and all relevant documentation in advance in a timely manner to assist in the discharge of their duties and to ensure that decisions are well-informed and made in the best interests of the Group. The Board maintains an annual agenda planner and reviews and agrees the agenda for the next meeting as part of each meeting agenda. If a Director is unable to attend a Board meeting, they always have the opportunity to discuss any agenda items with the Chair before the meeting.

Conflicts of interest are managed in accordance with the procedure described under "Directors' conflicts of interest" on page 110.

Board and Committee meeting attendance

The following table shows the attendance of the Directors at relevant meetings of the Board, Audit and Risk, Remuneration and Nomination Committees during the year.

The Board held five formal scheduled meetings last year and also met on an ad-hoc basis as necessary. The table below summarises attendance at the scheduled Board and Committee meetings during the year. In addition, the Disclosure Committee met five times throughout the financial year.

Name	Board	Audit and Risk Committee	Remuneration Committee	Nomination Committee
Greg Hodder	5/5	n/a	3/3	2/2
Daniel O'Neill	5/5	n/a	n/a	n/a
Lee Tappenden	5/5	n/a	n/a	n/a
Dan Walden	5/5	n/a	n/a	n/a
David Stead	5/5	3/3	3/3	2/2
Meg Lustman	5/5	2/2	3/3	2/2
Luke Kingsnorth	1/1	1/1	1/1	1/1

Our Board of Directors

Greg Hodder
Non-Executive Chair

Appointment
Greg was appointed on 29 October 2021

Skills and Experience
Greg brings a wealth of experience with previous Non-Executive Director and CEO appointments and a history of driving fast growth from entrepreneurial companies with particular experience in e-commerce and multi-channel. Greg has spent much of his career working in the retail sector, including roles as President of New York-based company Smallbone plc, CEO of Charles Tyrwhitt LLP, Chair of Majestic Wines plc and Senior Independent Director at Hotel Chocolat Group.

Other Roles
Greg is Non-Executive Director at Jarrold & Sons Ltd and Non-Executive Chair at Purdy & Figg Ltd.

Lee Tappenden
Chief Executive Officer

Appointment
Lee was appointed on 19 September 2023

Skills and Experience
Lee Tappenden was appointed CEO of ProCook in September 2023, bringing extensive leadership, retail and consumer experience to the Group having spent over 25 years with Walmart and Asda, where he held a range of senior management roles, and also at Amyris Inc and Boston Consulting Group. His tenure at Walmart included roles in merchandising and operations, before becoming Chief Operations Officer, and then President and CEO of Walmart Canada. Lee spent the early part of his career with Mobil Oil.

Other Roles
Lee holds no significant external directorships.

Dan Walden
Chief Financial Officer

Appointment
Dan was appointed on 14 October 2021

Skills and Experience
Prior to joining ProCook in May 2021, Dan was Chief Financial Officer of Booking.com Transport. Before that, he held several roles at Dunelm Group plc including Group Finance Director and Commercial Finance Director. Before Dunelm, Dan held various senior finance and commercial roles at Halfords and Sainsbury's. Dan is a chartered accountant, having begun his career with KPMG.

Other Roles
Dan holds no external directorships.

David Stead
Senior Independent Non-Executive Director

Appointment
David was appointed on 29 October 2021

Skills and Experience
An experienced Director of companies in the UK retail sector, David was Chief Financial Officer of FTSE-listed Dunelm Group plc from 2003 to 2015. Previous Non-Executive positions include Non-Executive Director at Card Factory plc, Senior Independent Non-Executive Director of Joules Group plc, and Non-Executive Director and then Chair at Naked Wines plc. Prior to these roles, David served as Finance Director for Boots The Chemists and Boots Healthcare International between 1991 and 2003. David is a chartered accountant, having spent the early part of his career with KPMG.

Other Roles
David is currently Non-Executive Chair at Highbury Square Management Company Ltd.

Daniel O'Neill
Non-Executive Director (Deputy Chair and Founder)

Appointment
Daniel was first appointed on 14 October 2021 and transitioned to a Non-Executive role on 16 October 2023

Skills and Experience
Daniel founded ProCook over 25 years ago and was employed full-time in the business since then until his transition to a Non-Executive role in October 2023. Prior to founding ProCook (originally trading as the Professional Cookware Company until 2008) in the 1990s, Daniel had an early career in direct marketing businesses, consultancy services and software development, developing skillsets and experiences that have provided guiding principles to support the development of the ProCook business.

Other Roles
Daniel holds no significant external directorships.

Meg Lustman
Non-Executive Director

Appointment
Meg was appointed on 25 June 2024

Skills and Experience
Meg has over 35 years of retail experience, and was previously CEO of British affordable luxury brand, Hobbs. Prior to this, she held senior positions at many of the UK's leading fashion retailers, including John Lewis, Warehouse, and Aurora/ Mosaic Fashions. Meg is an experienced Non-Executive Director having held a number of roles with both listed and non-listed businesses and organisations.

Other Roles
Meg is currently Vice Chair of Court of Glasgow Caledonian University, Chair of St Luke's Hospice (Harrow and Brent) and Non-Executive Director of Shepherd Neame Ltd.

Board and Leadership Team diversity[1]

	Number of Board Directors	% of the Board	Number of senior Board positions (CEO, CFO, SID and Chair)	Number in Leadership Team	% of the Leadership Team
Male	5	83%	100%	3	43%
Female	1	17%	–	4	57%
White British	6	100%	100%	6	86%
White Asian	–	–	–	1	14%

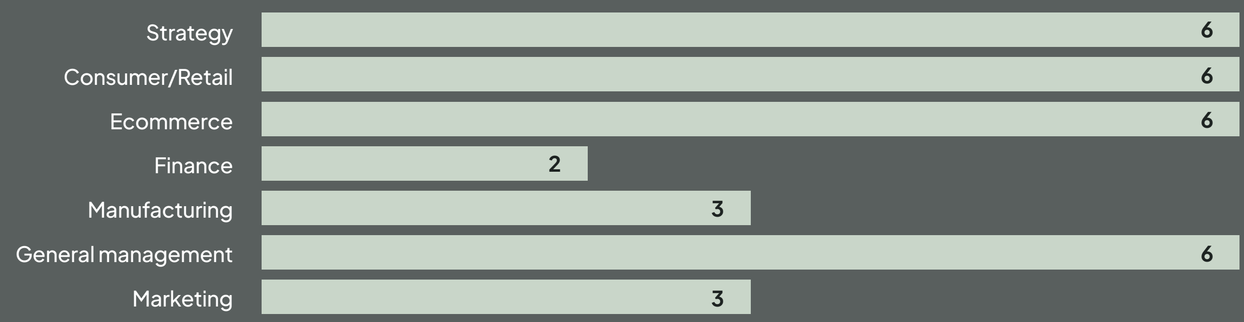
[1] FY25 presented as at 30 March 2025 and is consistent as at the date of this report. See page 85 for further information on Board Diversity. Ethnicity information is collected by the Group in voluntary colleague surveys.

Board independence (excl. Chair)

2
Independent

3
Non-Independent

Board skills and experience



Division of Directors' responsibilities

Clear division of roles and responsibilities on the Board

The key responsibilities of the members of the Board, including the division of responsibilities between the Chair and CEO, are set out in the table below.

Role	Responsibilities
Non-Executive Chair	**The Chair's principal responsibility is the effective running of the Board and includes:** • Ensuring the Board, as a whole, plays a full and constructive part in the development and determination of the Group's strategy and overall commercial objectives • Ensuring the Board determines the nature and extent of the significant risks the Group is willing to embrace in the implementation of its strategy • Running the Board and setting its agenda • Ensuring that all Board members are given the opportunity to share their views and participate in the business of the Board • Encouraging all Board members to engage in Board and Committee meetings by drawing on their skills, experience and knowledge • Ensuring that there is effective communication by the Group with its shareholders, including by the CEO, CFO and other Executive management • Ensuring that members of the Board develop an understanding of the views of the major investors • Leading the annual evaluation of the performance of the Board, its Committees, and individual Directors • Shaping the culture of the boardroom • Ensuring that the Board listens to the views of shareholders, the workforce, customers and other key stakeholders
Chief Executive Officer ("CEO")	**The CEO's principal responsibility is running the Group's business, including:** • Developing the Group's purpose, strategy and commercial objectives, and proposing these to the Board • Implementing the decisions of the Board and its Committees • Providing input to the Board agenda, including that from other members of the Executive team • Conducting the affairs of the Group with the highest standards of integrity, probity and corporate governance • Setting an example to the Group's people and communicating expectations regarding the Group's culture • Leading colleagues to achieve performance and organisational objectives • Establishing policies that improve and promote the Group's purpose, values and culture
Chief Financial Officer ("CFO")	**The CFO is responsible for the overall planning and management of the Group's financial affairs, and overseeing daily operational and administrative functions of the business including:** • Working closely with the CEO to ensure that strategic plans are underpinned by solid financials • Developing the Group's budget and monitoring performance against this • Assessing the benefit of new investment opportunities and capital expenditure initiatives • Drafting the Group's statutory financial statements and monthly management accounts • Responsibility for internal control and risk management, in conjunction with the Audit and Risk Committee • Assessing and enhancing the efficiency of operational processes • Ensuring that operational policies and practices drive behaviour and that appropriate standards of governance permeate throughout the organisation

Role	Responsibilities
Senior Independent Director ("SID")	**The SID's principal responsibility is acting as a sounding board for the Chairman and serving as an intermediary for the other directors and shareholders, including:** • Working with the Chair, Directors and shareholders to resolve significant or sensitive issues • Assisting in the maintenance of the stability of the Board and Group, particularly during any periods of stress • Taking responsibility for an orderly succession process for the Chair, working closely with the Nomination Committee • Being available to shareholders should they have concerns that are unresolvable through the usual channels of the Chair, CEO or other Executive Directors • Leading the performance evaluation of the Chair on behalf of the other Directors
Independent Non-Executive Directors ("NEDs")	**The independent NEDs have been appointed for their knowledge and expertise. Their key role is to contribute to the strategic direction of the Group, including:** • Providing healthy debate and challenge, as well as guidance and support, to the Executive Directors • Providing an independent sounding board to the Chair and Executive Directors • Serving on the Board Committees, with responsibility for the oversight of audit and risk, remuneration, and composition of the Board • Meg Lustman is the designated Non-Executive Director for workforce engagement (see more on page 78)
Non-independent Non-Executive Director (Deputy Chair and Founder)	**The non-independent NED role held by Daniel O'Neill has been created to ensure that Daniel's unparalleled experience and knowledge of the ProCook business is retained by the Group. This role contributes to the strategic direction of the Group, including:** • Providing healthy debate and challenge, as well as guidance and support, to the Executive Directors • Providing vast experience of the sector, market, supplier, product and customer and sharing that knowledge with the Board as a whole

Board activities

The Board is responsible for leading and governing all activities of the Group, with overall authority for establishing the Group's purpose, mission and strategy and overseeing performance against the strategic objectives.

The Board sets the Group's strategic direction and approves the decision-making policies of the Group. These activities are underpinned by regular financial reporting, provision of information to the Board, and a robust approach to risk management.

The Board has agreed the Group's purpose: **Equipping everyone with the tools to bring joy to everyday cooking.** This purpose guides the Group's entire strategy and is reflected throughout the organisation's culture.

Link to strategy and stakeholders

Strategy

1 Accelerate profitable sales growth
2 Improve operating efficiency
3 Create an even better place to work
4 Being a force for good

Stakeholder

Customers
Colleagues
Suppliers
Communities
Shareholders

Group purpose

1 2 3 4

During the year, the Board reconsidered the Group's purpose in respect to the principles, values and the customer promise that ProCook aims to fulfil. The purpose guides all the Group's activities, marketing and development of culture, and was considered to still be relevant and appropriate as a "North Star".

s.172: Decision-making

At the Board strategy day, and in subsequent Board meetings, the Board reviewed the Group's purpose, mission and customer promise, and its alignment to all stakeholder interests and the Group's updated medium-term strategy. The Board agreed that it consistently and concisely articulated the Group's strategic objectives.

Following previous discussions, the Board reviewed plans put forward by the Marketing Director to amplify the customer promise with better communication for customers, and agreed that the plans were directionally appropriate and should be woven through the Group's marketing activities.

The Board considered the impact on colleagues, and agreed with the Executive Directors' plan to revisit the purpose, strategic objectives and customer promise at the Managers conference in April 2025, and continue with the functional objective and KPI monitoring in the year ahead such that all colleagues could understand how their roles ladder up to delivering the Group's purpose.

Strategy

The Board maintains a detailed focus on strategy and Board agendas are designed to ensure that sufficient time is dedicated to discussing and debating those matters critical to delivering strategic success. During the year, the Board received regular strategy updates from the Executive Directors Board meetings, and undertook regular deep dive reviews with Leadership Team members often attending, into key areas of strategic focus.

Setting our strategy

1 2 3 4

The Board regularly reviews and discusses strategy throughout the year, including at its annual strategy day where the key strategic priorities and plans are discussed and approved, and progress against planned initiatives is assessed.

s.172: Decision-making

In approving the Group's strategy, and reviewing the improvement in Group performance since it was refreshed in FY24, the Board has considered the impact of its plans and activities across all stakeholders.

Market conditions and opportunities for expansion

1

The Executive Directors present market updates on a regular basis to the Board, allowing consideration and discussion around market share, competitor activity and timeliness of entering into new markets or categories. The strategy for new product and channel expansion opportunities is regularly discussed at Board meetings.

s.172: Decision-making

During the year, the Board supported the Executive Directors in their focus on the UK market, recognising the significant growth opportunity ahead and ability to serve more customers and create new employment opportunities. Additionally the Board supported the decision to relaunch trading via the Amazon UK marketplace, adopting a small curated range for customers who prefer to shop in that channel.

1

Strategy continued

Expand our UK store network

1 2

The strategic priority to accelerate new store openings has been reviewed and discussed by the Board, and regular progress updates are provided at each Board meeting on new opening opportunities and post-opening performance. During the year, the Board also reviewed and agreed the Executive Directors' proposal to close certain stores at lease events, that did not provide sufficient positive benefit to business or brand performance.

s.172: Decision-making

In considering the opening of new stores, the Board reflected that new openings would benefit customers, provide employment opportunities in local communities and generate appropriate future returns for shareholders. The Board has agreed appropriately robust business case targets for opening new stores with the Executive Directors.

Strengthening our specialist product offer

1

Designing and sourcing high quality products at every price point that are built to last and that customers enjoy using, is considered by the Board to be critical to the continued success and growth of the Group. During the year, the Board has monitored progress on new product development, including the new category development in small kitchen electricals and has explored the potential for further category expansion with the Executive Directors and the Commercial Director.

s.172: Decision-making

Consideration was given by the Board to the impact of Daniel O'Neill transitioning from CEO into a NED role, and recognising Daniel's unparalleled experience in this area and his long-established supplier relationships, agreed he would continue to work with the new product development team until such a time that full knowledge transfer had been completed, which was deemed complete by October 2024.

The development of the new small kitchen electricals range has continued to be closely monitored by the Board, who recommended the Executive team to develop strong marketing launch plans to maximise raising of awareness amongst customers, which has successfully been implemented during the year.

Best in class customer service and experience

1

The Board monitors and regularly discusses customer satisfaction metrics both in store and online. While performance is strong, as recognised by the 5-star Trustpilot reviews, the Board considers there to be opportunity to improve further and become famous for outstanding service, making it easy for customers to shop with, and has supported the recruitment of an experienced Retail Director during the year to lead on this in stores.

s.172: Decision-making

At the Board strategy day, the Board reviewed and approved the strategic actions proposed by the Executive Directors and Leadership Team with respect to further improving service in store and enhancing the online experience to benefit stakeholders.

Grow brand awareness and engagement

1

The Board regularly monitors customer acquisition and retention metrics and holds deep dive discussions on digital and brand marketing strategies. The opportunity to raise awareness of the ProCook offer remains significant.

s.172: Decision-making

The Board has monitored the performance of further marketing trials during the year, including the expansion of Social Marketing activities, and reviewed and challenged the latest plans for brand marketing as a whole during deep-dive sessions. The Board has supported the strategic investment and focus around social marketing as a way to attract more customers to discover ProCook for the first time.

Supply chain transformation

1 2 3

The supply chain transformation programme, set out by the Executive Directors at the Board strategy day last year, has been monitored closely by the Board, reviewing supply chain service levels and performance KPIs, alongside the progress made in executing the strategic actions identified, with a particular of improving retail store product availability for customers and reducing total handling costs.

s.172: Decision-making

The Board, having spent time in the Distribution Centre together with the Leadership Team, have approved the plans to transform operations that will benefit customers through greater product and service availability, colleagues through reduced handling time, and suppliers through improved demand forecasting.

Technology

1 2 3

As a critical enabler for performance, growth and operations, the Board receives a Technology and Cyber-security Report at each meeting and has held a deep dive session on the Technology strategy during the year, including supporting a external review of existing technology architecture to support planning for continual improvement across the Tech stack.

s.172: Decision-making

The Technology roadmap is reviewed each meeting by the Board and any delivery challenges are discussed. The Board supported the continued development of security capability during the year to reduce risk for stakeholders and customers, and monitored a series of customer and operational investments being deployed to deliver greater customer and colleague experience, and improved business efficiency.

Board activities
Continued

Strategy continued

ESG strategy
1 2 3 4

ProCook aims to be a responsible retailer for the benefit of all stakeholders, with a strong ESG focus led by our ESG Director. The Board holds deep-dive discussions on ESG progress each year, particularly focused on environmental aspects, and the strategy to reduce our environmental footprint, which the Board considered and approved.

s.172: Decision-making

The Group's ESG strategy is recognised by the Board as important to all stakeholders, requiring continual focus and progress being made in all areas. During the year, the Board discussed and agreed with the plan to remeasure the Group's total emissions during FY26 in order to compare to the baseline emissions from FY22 to understand progress made and opportunities to explore further.

Link to strategy and stakeholders

Strategy

1 Accelerate profitable sales growth
2 Improve operating efficiency
3 Create an even better place to work
4 Being a force for good

Stakeholder

- Customers
- Colleagues
- Suppliers
- Communities
- Shareholders

People and culture

Creating a great place to work, through attracting, developing and retaining highly engaged and talented colleagues is highly prioritised by the Board. During the year, the Group was recognised for the fourth year running as a Great Place to Work™.

Colleague engagement
1 2 3 4

Annual colleague engagement results and action plans are presented to the Board by the People Director for consideration and discussion.

s.172: Decision-making

The Board supported the action plan in response to the FY24 engagement survey, which focused on increasing survey participation which was substantially increased in FY25. This provided more training and development opportunities for colleagues, which has been accelerated in recent months, and improving awareness of how personal performance contributes to Group success and developing a high-performance culture for the benefit of stakeholders.

Talent recruitment, retention and development
1 2 3 4

The Board reviews and discusses People Reports at each Board meeting, considering relevant metrics including labour turnover and departmental vacancies. Additionally, during strategy deep dives, the Board considers functional leadership capability and development opportunities.

s.172: Decision-making

Following initial discussions with the Nomination Committee, the Board supported the need to recruit a new Retail Director, subsequently approved the appointment of Joe Pennington who has recently joined the Leadership Team. Additionally, the Board has supported the Executive Directors' plan to implement further leadership development training throughout FY25, supported by external facilitators for the Group's wider senior management and functional leadership.

Total reward
1 2 3 4

The Board receives and considers regular updates from the People Director, including opportunities to enhance the total reward package for our colleagues.

s.172: Decision-making

The Board has considered reward feedback and recommendations and has supported the Executive team in making reward improvements in FY25, including adopting performance-related pay and bonuses, improving holiday allowances, and other benefits for colleagues, to promote improved engagement and retention.

Colleague Advisory Panel
1 2 3

In accordance with the Code, the Board has taken a blended approach and launched the Colleague Advisory Panel as well as appointing Meg Lustman as the designated Non-Executive Director to oversee the Board's engagement with the workforce.

s.172: Decision-making

Suggestions from colleagues on the Panel have led to Board discussions on various important topics, and resulted in a number of tangible actions around open door trials in stores, a renewed approach to store rotas leading to increased flexible working options, more inclusive conferences for both Retail and the Store Support Centre colleagues, as well as revisiting our benefits package, including increased holiday entitlements and a sustainable pension salary sacrifice scheme.

Governance

Financial performance
1 2 3 4

Financial performance is reviewed and discussed by the Board at each meeting, with detailed reviews undertaken in respect of budgets, reforecasts, long-term financial plans and interim and final results.

s.172: Decision-making

Budgets and reforecasts were carefully scrutinised by the Board as the year progressed.

The Board challenged the Executive team to drive stronger top line growth to better leverage fixed costs, while also continuing to focus on efficiency improvements and has supported the Executive Directors' actions to invest selectively in areas that will support long-term growth.

Cash management and liquidity
1 2 3 4

The Board monitors cash and liquidity regularly at each Board meeting, and receives ad-hoc updates on performance and cash position where necessary from the Executive Directors.

s.172: Decision-making

The Board has supported the Executive Directors' recommendations to preserve cash, while still investing in the areas that support long-term growth, including new stores for the benefit of stakeholders. The Board has supported the CFO's proposal to amend and extend the Revolving Credit Facility and renegotiate the covenant terms of that facility with the Group's banking partner during the year.

Risk management
1 2 3 4

The Group's risk appetite is set by the Board, and the framework of risk management is reviewed by the Board and Audit and Risk Committee.

s.172: Decision-making

The Board reviewed and debated the principal risks, and challenged the progress made against agreed risk management objectives through the year to enhance the control environment, including ensuring readiness for the Provision 29 requirements of the Code.

Board evaluation
1 2 3 4

The Group's annual Board effectiveness evaluation was undertaken during the year and the results reviewed and discussed by the Board.

s.172: Decision-making

Consideration was given to the feedback from the evaluation and the Board noted again that an area highlighted for improvement was improved Board diversity, which the Board had considered as part of the process of recruiting a new Non-Executive Director last financial year.

Shareholder engagement

The Board is committed to maintaining an open and constructive dialogue with shareholders to ensure there is a common understanding of the strategic objectives, governance and performance of the Group. The Group has appointed financial public relations advisers and corporate brokers to gather investor and analyst feedback, which is presented to and reviewed by the Board.

s.172: Decision-making

The Board supports the Executive Directors as they undertake investor roadshows and meetings following the release of annual and interim financial results and provide feedback through careful review and consideration in advance of messaging, presentations and results.

Whistleblowing and compliance
3

The Board is responsible for monitoring and periodically reviewing the Group's whistleblowing, anti-bribery and anti-fraud policies.

s.172: Decision-making

The Board is satisfied that sufficient arrangements are in place to protect stakeholders' interests and assist in the prevention of fraud, enabling colleagues to report irregularities confidentially and allow appropriate investigation and follow-up action to be taken.

Corporate Governance

The Board is responsible for compliance with the UK Corporate Governance Code and considers and discusses regular updates from the Company Secretary at Board meetings.

s.172: Decision-making

The Board is satisfied that it operates in compliance with the Code, with the exception of Provision 11 as outlined within the Chair's governance letter, and that sufficient arrangements are in place to protect stakeholders' interests as a whole.

S.172 statement

Our stakeholders have a variety of occasionally conflicting priorities and interests, and the decisions that are made by our Board can have significant impacts on them.

Board decisions must, therefore, be carefully considered to ensure that these stakeholder needs are best balanced and met, while ensuring that decisions taken promote the long-term success of the Group as set out in Section 172(1) (a) to (f) of the Companies Act 2006.

Directors are required under the Companies Act 2006 (the "Act") to promote the success of the Group for the benefit of our members as a whole. In doing so, they must have regard to the interests of all stakeholders.

The Directors confirm that they have, during the year, acted in a way that they consider, in good faith, to be most likely to promote the success of the Group for the benefit of its members and stakeholders as a whole and, in doing so, have had regard to the matters set out in s172(1) (a) to (f) of the Act.

This confirmation, together with the accompanying detail on these pages, and that set out on pages 08 to 11 of the Strategic Report comprises our Section 172(1) statement ("S.172"), and sets out how the Board, in performing its duties over the last year, has had regard to the matters set out in Sections 172(1) of the Act. In this section, we describe how the Directors fulfil their S.172 duties, and provide examples of key Board decisions made during the year whereby the Board has carefully considered the needs of our differing stakeholders.

How the Directors fulfil their S.172 duties

Engaging with stakeholders **Read more:** Engaging with stakeholders on pages 08 to 11	• Directors regularly meet and interact with a variety of stakeholders including customers, colleagues, suppliers, members of our communities, and our shareholders • This provides first-hand opportunity to learn about their differing needs and priorities and, where necessary, the opportunity to explain why certain decisions have being made • Where the Directors and Board do not, themselves, engage directly with certain stakeholder groups, it oversees the engagement activities of management, and receives regular updates on such activities
Collective breadth of skills and experience **Read more:** Board of Directors on pages 72 to 73	• The diverse set of skills, experience and knowledge held by the Board, as a collective, helps ensure that appropriate and well-informed decisions are being made, which promote the long-term success of the Group, while balancing the various priorities of our stakeholders
Board reporting and information **Read more:** Governance Framework on pages 70 to 71	• The Directors receive comprehensive papers and reports from management on a regular basis both for scheduled Board meetings and on an ad-hoc basis, as well as in-person updates during meetings and other interactions • This information, which includes stakeholder considerations especially pertaining to key decision points, provides Directors with the opportunity to query, challenge and debate decisions to ensure conflicting interests are well considered
Board discussion **Read more:** Board activities on pages 76 to 79	• At scheduled and ad-hoc Board meetings, Directors constructively challenge and debate decision points, drawing on their own skills and experience and their understanding of stakeholder needs • These discussions support making the right balanced decisions for the benefit of our stakeholders as a whole
Strategy and culture development **Read more:** Strategy for growth on pages 12 to 13 Our people on pages 25 to 29	• The Board is responsible for setting the Group's strategy and developing its culture. Directors are required to contribute to this through careful consideration and discussion on strategic direction and actions, and determining the Group's purpose, mission and cultural values • The Directors are required to set the tone and consistently demonstrate the values, promoting careful and diligent stakeholder consideration in decision making throughout the Group

Read more about how the Directors have had regard for S.172 factors

S.172 Factor	Read more:	S.172 Factor	Read more:
(a) The likely consequences of any decision in the long term	Business model on page 06 to 07 Board activities on pages 76 to 79 Strategy for growth on pages 12 to 13	**(d) The impact of the Group's operations on the community and the environment**	Our Planet on pages 30 to 33 Our B Corp journey on pages 22 to 23 Our People on pages 25 to 29 TCFD on pages 36 to 39
(b) The interests of the Group's employees	Our People on pages 25 to 29 Create an even better place to work on page 19 Board activities on pages 76 to 79 Colleague Advisory Panel on page 78 Remuneration Committee Report on pages 90 to 91	**(e) The desirability of the Group maintaining a reputation for high standards of business conduct**	Our People on pages 25 to 29 Non-financial information and sustainability on page 45
(c) The need to foster the Group's business relationships with suppliers, customers and others	Our Product on pages 34 to 35 Engaging with stakeholders on pages 08 to 11	**(f) The need to act fairly as between members of the Group**	Engaging with stakeholders on pages 08 to 11 Board activities on pages 76 to 79 Strategy for growth on pages 12 to 13 Remuneration Committee Report on pages 90 to 91

Making the right decisions for our stakeholders

Expanding our store network

Stakeholders:

The Group's refreshed strategy for FY25 included the expansion of our retail estate as a key pillar for driving profitable growth, supporting brand awareness, creating employment opportunities in new communities and providing more customers access to our products.

Throughout the year, the Board regularly discussed the progress being made in this area and made the following decisions:

- New store business cases were discussed and approved, on recommendation from the CFO who carries Executive responsibility for the property portfolio
- Performance monitoring criteria were agreed
- Dedicated Retail Trainer roles approved in the FY26 budget to provide support to new colleagues and ensure customers enjoy excellent customer service across both new and existing locations, with these roles filled via internal promotions
- Closure of three small garden centre stores at lease events, where the locations did not meet the required performance criteria, with one relocated within the same city to an improved shopping centre location with greater sales potential and providing growth opportunities to the existing store team

12
new stores opened in the year

Expansion of social marketing

Stakeholders:

Following the recruitment of Marta Navas as Ecommerce Director in October 2023 and Claire Tait as Marketing Director in April 2024, it was recognised that our existing paid media strategy was predominantly focused on search engines, with our mix of spend on social media channels being below the industry average. The Board recognised that there was significant growth potential available on these platforms with extended reach improving brand awareness and introducing us to new customers and demographics

The Board approved a strategy to devote greater resources to social media channels, including:

- Trialling a partnership with an external marketing agency who specialise in Meta channels, where our presence was limited, including product seeding and the use of User Generated Content as social proofing
- Reallocation of marketing spend from search engine advertising into social channels, which delivered improvements in customer acquisition, revenue and ROAS
- Creation of an internal Social Content team, including internal promotions and growth opportunities as well as recruitment of external expertise
- Testing expansion into new discovery channels such as TikTok and Pinterest, expanding our reach to different demographics and increasing brand awareness

70%
of UK adults say they now use social media as a source for cooking inspiration and recipes

Stakeholders key:

Customers | Colleagues | Suppliers | Communities | Shareholders

Focusing on Leadership

Stakeholders:

As a response to the FY24 colleague engagement survey, the Board supported actions to provide more training and development opportunities for colleagues, and improve awareness of how personal performance contributes to Group success, customer service, and developing a high-performance culture for the benefit of stakeholders.

In the year, the Board agreed investment in an external leadership development programme, with the Senior Leadership Team and two further SSC management cohorts now having completed the six month course. Store managers will be next to benefit from this during FY26 to ensure strong leadership skills across all areas of our business. Developing our colleagues, along with our growth enabling the creation of internal progression opportunities, will increase engagement, improve colleague retention and, in conjunction with the Retail Trainers, this will ensure that when customers visit our stores they are met with excellent customer service.

9% pt
increase in Leadership Effectiveness measured in GPTW survey December 2024

Nomination Committee report

Members

- Greg Hodder – Chair
- David Stead – Member
- Meg Lustman – Member (appointed 25 June 2024)
- Luke Kingsnorth – Member (resigned 25 June 2024)

Read more: The skills and experience of all Committee members on pages 72 to 73

Read more: Committee meeting attendance on page 71

Read more: Committee Terms of Reference are available at www.procookgroup.co.uk

Read more: Group policy on Diversity and Inclusion is available at www.procookgroup.co.uk

Over the last year, the Committee has reviewed and recommended changes to the composition of the senior Leadership Team; discussed long-term succession planning and development of the Executive Directors and Leadership Team and recommended the appointment of the new Retail Director.

Throughout the year, the Executive Directors have been invited to attend Committee meetings and have provided the Committee with considered insight into the resourcing and leadership needs of the business, and provided updates on agreed actions being taken to ensure the necessary skills and experience are in place to drive forward the Group's strategy.

Key responsibilities

The purpose of the Committee is to maintain a rigorous and transparent procedure for the appointment of new Directors to the Board, as required by the UK Corporate Governance Code (the "Code"). The Committee's main responsibilities, as outlined in its Terms of Reference, are:

- Reviewing the structure, size and composition (including the skills, knowledge, experience and diversity) of the Board and making recommendations to the Board with regard to any changes
- Ensuring plans are in place for orderly succession to Board and senior management positions and overseeing the development of a diverse pipeline for succession
- Reviewing the leadership needs of the organisation, both Executive and Non-Executive, with a view to ensuring the continued ability of the organisation to compete effectively in the marketplace and execute strategic priorities
- Identifying and nominating, for the approval of the Board, candidates to fill Board vacancies as and when they arise
- Evaluating the balance of skills, knowledge, experience and diversity on the Board, and, in light of this evaluation, preparing a description of the role and capabilities required for a particular appointment
- Reviewing the time required from Non-Executive Directors. Performance evaluation is used to assess whether the Non-Executive Directors are spending enough time fulfilling their duties

Diversity and Inclusion

Policy Statement

The Board recognises the benefits of diversity and believes that the Board's capabilities are improved by a diverse balance of skills, expertise, gender, ethnicity, and professional and social backgrounds. Together, this brings the widest possible breadth of perspectives, insights and challenge to the decision-making process, ensuring, ultimately, that the Board and Leadership Team are best placed to support and deliver the long-term success of the Group.

The Board supports the recommendations set out in the FTSE Women Leaders Review on gender diversity and the Parker Review on ethnic diversity.

Objectives and Progress

Supported by the Nomination Committee, the Board:

- Considers all aspects of diversity, including gender and ethnicity, when reviewing the composition and balance of the Board and when conducting the annual Board effectiveness review
- Only engages Executive search firms who have signed up to the Voluntary Code of Conduct on gender diversity and best practice
- Encourages and monitors the development of internal high-calibre colleagues including consideration to all aspects of diversity to support the internal talent pipeline for succession at both Board and Leadership Team level
- Ensures that candidate lists for Non-Executive Director positions are compiled by drawing from a broad and diverse range of candidates, including those who may not have previous listed company experience but who possess suitable skills or qualities

The Board is committed to being representative of all aspects of society and for colleagues to feel involved, valued and respected, as well as following the provisions relating to diversity in the Code. However, the Committee acknowledges that the diversity of the Board has not yet met the FCA targets of 40% female representation on the Board, and one ethnic minority member, and one of the senior positions on its Board being held by a woman. The Committee has considered the size and composition of the current Board including the Non-Executive Directors, the incumbent Board Directors, and the value that Daniel O'Neill brings to the Board as a Non-Executive, and believes that the current composition provides an strong mix of diverse skills and experience to provide adequate governance and strategic oversight to the Group and that adding more Board Directors at this time would be disproportionate to the relative size and complexity of the Group. The Committee is committed to continuing to focus on improving the diversity on the Board and considering it carefully when making recommendations to the Board on new Board appointments.

The Board and Nomination Committee is, however, pleased to have made good progress with developing a more diverse senior Leadership Team with four out of the seven members of the Leadership Team (57%) now being female, including the Commercial Director, the Ecommerce Director, the Marketing Director and the People Director, who are regularly invited to attend Board meetings to discuss relevant topics to their areas of responsibility.

Gender balance of the Board and Leadership Team

The gender balance of the Board and Leadership Team is shown on page 72. The gender balance of the Leadership Team is also included in the Sustainability section of the Strategic Report on page 26.

Board composition

Last financial year, the Board announced the appointment of Lee Tappenden to the role of CEO and Executive Director, following Daniel O'Neill's planned stepping back from the CEO role and into a Non-Executive Director role. Having founded ProCook over 20 years ago, Daniel's knowledge of the business is unparalleled, and, as such, the Nomination Committee asked that Daniel continue to support Product Development in an advisory capacity until such a time as both Daniel and Lee were happy that sufficient knowledge transfer had been completed. Following the appointment of Laurie Houghton as Commercial Director in July 2024, and the completion of knowledge handover through to October 2024, Daniel and Lee agreed that this advisory support was no longer formally required; however, Daniel remains available to support Lee and the wider team as required on an informal basis.

Also last financial year, Luke Kingsnorth, independent Non-Executive Director and Remuneration Committee Chair, noted that he did not intend to extend his Board membership past the initial three-year term such that he could focus more fully on his other professional commitments. In June 2024, Meg Lustman was appointed as Non-Executive Director and Chair of the Remuneration Committee.

Succession planning

The Board has delegated its responsibility to the Committee for leading the process for identifying and nominating Board candidates, as well as keeping the diversity of the Board under review. When making a Board appointment, the Committee seeks to identify an individual with the skills, knowledge and experience required to fulfil the role, taking account of the added value that the individual brings to the Board in terms of creating a diverse and, therefore, more effective, decision-making body.

The Committee, therefore, has responsibility for oversight of the development of a pipeline of potential Board Directors and Leadership Team members. During the year, the Committee reviewed and discussed the structure of the Group's Leadership Team with the Executive Directors. Following the decision in early spring 2025 of the Group's Retail Director to pursue other opportunities after a long and successful career with ProCook, the Committee supported the Executive team in their recruitment for a suitable replacement and recommended the appointment of Joe Pennington to the Board for approval.

Annual evaluation

During the year, the Board conducted an internal evaluation of the effectiveness of the Board and its Committees. The review highlighted that the Committee and its Chair perform effectively and there were no material concerns to report.

Election and re-election of Directors

In accordance with the Code and the Company's Articles of Association, all Directors will offer themselves for election by shareholders each year at the Company's Annual General Meeting. Both the Committee and the Board are satisfied that the Directors continue to be effective in, and demonstrate commitment to, their respective roles on the Board and that each makes a valuable contribution to the leadership of the Company. The Committee, therefore, recommends that shareholders vote in favour of all Directors' nominations for re-election at the AGM.

Greg Hodder
Nomination Committee Chair

24 June 2025

Audit and Risk Committee report

Members

- David Stead – Chair
- Meg Lustman – Member (appointed 25 June 2024)
- Luke Kingsnorth – Member (resigned 25 June 2024)

Read more: The qualifications and experience of all Committee members **on pages 72 to 73.**

Read more: Committee meeting attendance **on page 71.**

The principal focus of the Committee has been on supporting and guiding the Executive Directors as they continued to enhance the internal control environment, in particular this year considering the increased future requirements resulting from the 2024 updates to Provision 29 of the UK Corporate Governance Code, while also dealing with the continued macro-economic challenges. In the context of this heightened risk environment, the Committee continued to challenge and support management through the actions being taken to strengthen the balance sheet, preserve cash and drive improved trading performance.

Committee meetings are routinely attended by the Chair of the Board, Chief Executive Officer, Chief Financial Officer, and the external Auditor. The Committee also meets separately with the external Auditor without management present at least annually.

Key responsibilities

The Committee's key responsibilities, as outlined in its Terms of Reference, are:

- Monitoring the integrity of the financial statements of the Group and any formal announcements relating to financial performance
- Reviewing the adequacy and effectiveness of the Group's internal financial reporting and internal control policies and systems
- Overseeing the Group's arrangements for its people to raise concerns, in confidence, about possible wrongdoing in financial reporting or other matters
- Reviewing the Group's procedures for detecting fraud and preventing bribery and money laundering
- Overseeing the effectiveness and performance of the external Auditor and making recommendations to the Board regarding their appointment or removal
- Advising the Board on the Group's overall risk appetite, tolerance and strategy, and principal and emerging risks
- Monitoring and reviewing the effectiveness of the Group's risk management framework

The Committee's terms of reference are available on the Company's corporate website.

How the Audit and Risk Committee discharges its responsibilities

The Committee has unrestricted access to documents and information as well as to employees of the Group and the external Auditor. The Committee Chair meets regularly with the Chief Financial Officer. Members of the Committee may, in pursuit of their duties, take independent financial advice on any matter, at the Group's expense. The Committee Chair reports the outcome of Audit and Risk Committee meetings to the Board.

The Committee meets at least three times a year and has an agenda linked to the events in the Group's financial calendar.

Significant items considered during the year

Updates to UK Corporate Governance Provision 29

Within the year, the Committee has begun reviewing with management on the Group's readiness for the FRC's upcoming strengthening of internal control disclosure requirements, with the Board being required from FY27 to provide a declaration of the effectiveness of material internal controls as of the reporting date in the Annual Report.

The Committee reviewed management's assessment of current status, gap analysis and roadmap for improvements such that evidenced effectiveness of these controls is available to the Board for the future reporting cycles.

Going concern and viability assessment

The Committee conducted a comprehensive review of the going concern position and longer-term viability assessment in preparation for the publication of the Group's FY25 financial statements. Management prepared a paper setting out the methodology and assumptions used for the assessment, summarising projected performance over a three-year forecast period, together with sensitivity analysis. The Committee discussed the assumptions and results in detail, including:

- The assumptions driving the base case projections, applied in the approved budget and three-year plan
- Results of the downside and severe but plausible downside scenarios
- The results of the stress tests undertaken
- The variability and fixed nature of the cost base
- The profile of projected cash flows under each scenario and stress test, and any areas where cash headroom may become tighter
- The available finance facilities and the impact of the scenarios and stress tests on meeting covenant tests
- The mitigations available to management and likelihood of timely implementation, should they be needed

Following this detailed review, the Committee confirmed to the Board that they were satisfied that the Group should continue to adopt the going concern basis of accounting in preparing the financial information for the year ended 30 March 2025, that there was a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future and will be able to continue in operation and meet its liabilities as they fall due over the viability assessment period.

Financial statements and significant financial judgements

The Committee considered, in particular, the following matters, as identified by the external Auditor, in relation to the Group's full-year financial statements:

- Impairment of CGUs and investments: Review of accounting papers and discussion with management and the external Auditor regarding the approach taken, compliance with IFRS and appropriateness of conclusions drawn
- Critical accounting judgements and estimates: consideration of the completeness of these disclosures, and the inclusion of all significant judgemental and estimation items within these disclosures to enhance understandability for readers of the Financial Statements
- Share-based payments: reviewed and discussed with management the reasonableness of vest expectations applied to the Group's share-based payment schemes
- Going concern and viability: reviewed managements technical papers, and considered the downside, severe downside and stress test scenarios in the context of the principal risks; consideration was given to the likelihood of achieving the base case forecasts, the Group's recent performance and historical forecasting accuracy

Risk management framework

The Board is responsible for the Group's risk management framework and the Committee has been delegated responsibility for reviewing the overall process of assessing business risks and their impact on the Group. The Board retains overall responsibility for the level of risk the Group is willing to accept and for allocating sufficient resource to the management of business risk.

The Executive Directors review the Group's risk register regularly and report any proposed changes to the Committee and the Board.

As part of the ongoing assessment of the business' principal risks and uncertainties, the Committee has considered several factors, including geopolitical and macroeconomic uncertainty, including US trade policy and the potential of reciprocal tariffs or trade wars, supply chain concentration and disruption, the continuing conflicts in Ukraine, Palestine and the wider conflict in the Middle East (including the impact on Red Sea shipping routes), climate change, as well as cyber and technology risks.

The principal risks and uncertainties of the Group and their mitigation are included on pages 54 to 65. These principal risks and uncertainties have been considered in the Viability Assessment on pages 66 to 67 and Going Concern Assessment on pages 124 to 125.

Internal control framework

The Committee is responsible for reviewing the Group's internal financial controls and internal control management systems and the Board is ultimately responsible for establishing procedures to oversee the internal control framework.

The Committee received updates from management on the Group's internal controls at each of its meetings, which allowed the Committee to interrogate and provide input on improvements in the following areas:

- Annual review of FPPP
- Finance process automation and system enhancements, including lease accounting
- Cyber security improvements and penetration test results
- Disaster recovery and business continuity

On behalf of the Board, the Committee has considered the effectiveness of the internal control systems and risk management processes in place during the year.

Annual Report and Accounts and results announcements

During the year, the Committee formally reviewed draft interim and full-year results announcements and the Annual Report and Accounts. These reviews considered:

- The accounting principles, policies and practices adopted in the Group's financial statements and proposed changes to them
- Significant accounting issues and areas of judgement and complexity
- The integrity of the financial and non-financial information

The Committee was satisfied with management's presentation of the FY25 interim and full-year results and announcements and the Annual Report and Accounts.

The external Auditor confirmed to management that they were not aware of any material unadjusted misstatements during the course of their audit.

The Committee has reviewed the Annual Report and Financial Statements and is satisfied that, taken as a whole, they are fair, balanced and understandable and provide shareholders with the necessary information to assess the Group's position and performance, business model and strategy, and should be recommended to the Board.

Audit and Risk Committee report

Continued

External Auditor

The Committee oversees the Group's relationship with the external Auditor and makes recommendations to the Board concerning the Auditor's appointment, re-appointment and remuneration.

Forvis Mazars LLP was appointed as the Group's Auditor during 2021 and its audit of the Group is in respect of these financial statements for the year ended 30 March 2025. Charlene Lancaster is the Audit Partner. The Committee intends to comply fully with the FRC Guidance on External Auditors and carry out an audit tender at least every ten years and mandatory rotation at least every 20 years.

The Committee considers, at least annually, the independence and objectivity of the Auditor, taking into consideration the relevant UK professional and regulatory requirements. In December 2024, the Committee reviewed a statement from the Auditor detailing its independence policies and safeguards and confirming its independence. Following this review, and further consideration during March 2025 and June 2025 Committee meetings, the Committee agreed that the Auditor is independent.

The Committee has considered and approved the terms of engagement and fees of the Auditor in respect of the audit of the accounts for the year ended 30 March 2025. Audit fees payable by the Group to Forvis Mazars LLP during the year totalled £320k. There were no contingent fee arrangements.

The Committee has approved a non-audit services policy and confirms that there were no non-audit services carried out by the Auditor during the last year.

To fulfil its responsibility regarding the effectiveness of the external Auditor and oversight of the audit process, principal procedures carried out by the Committee include:

- Review of the relevant skills and experience of the audit partner and team
- Review of the Auditor's planning report detailing scope of the audit, materiality and identification of areas of audit risk
- Consideration of formal reports from the Auditor about the audit process, issues which arose during the audit and their resolution, key accounting issues and judgements
- Consideration of recommendations made by the external Auditor in their management letters and the adequacy of management's response

The Committee has recommended the reappointment of Forvis Mazars LLP, as external Auditor, to the Board.

Internal audit

During the year, the Group did not have an internal audit function as it had been agreed that the Group's size and activities were such that internal assurance was achievable through other means, including the close involvement of the Executive Directors in the day-to-day running of the Group and oversight of the Group's operations

The Committee has concluded that regular reporting from, and discussions with, management remain an appropriate means of obtaining assurance as to the effectiveness of the Group's internal controls, given the size and complexity of the Group, and that a permanent internal audit function is, therefore, not required at this time. The Committee will continue to review this position at least annually.

Annual evaluation

During the year, the Board conducted an internal evaluation of the effectiveness of the Board and its Committees. The review highlighted that the Committee and its Chair perform effectively and there were no material concerns to report.

Priorities for FY26

In the year ahead, the Committee will continue to oversee management's drive to further enhance internal control policies and procedures, and the level of preparedness for Provision 29's enhanced requirements and any further evolution in the corporate governance and landscape which may arise, including around ESG reporting. The Committee will also focus on the Group's cybersecurity and resilience, including disaster recovery plans, in the context of the continually evolving online threat environment and complexity of cyber attacks.

David Stead
Audit and Risk Committee Chair

24 June 2025

Remuneration Committee report

Members

- Meg Lustman – Chair (appointed 25 June 2024)
- Greg Hodder – Member
- David Stead – Member
- Luke Kingsnorth – Chair (resigned 25 June 2024)

Read more: The qualifications and experience of all Committee members **on pages 72 to 73.**

Read more: Committee meeting attendance **on page 71.**

This report, in line with UK reporting regulations, is divided into three sections:

- This annual statement, which summarises the work of the Committee and our approach to remuneration
- The Directors' Remuneration Policy, which outlines our approach to remuneration and the parameters within which we will implement our pay arrangements, and how this links to our strategy
- The Annual Report on Remuneration, which sets out the remuneration arrangements and incentive outcomes for FY25, and how the Committee intends to implement the Remuneration Policy in the FY26 financial year

As this is the third financial year since our Policy was last approved, we will present two remuneration related resolutions at our forthcoming Annual General Meeting:

- A binding vote on the Directors' Remuneration Policy
- An advisory vote on the annual statement and the annual report on remuneration

I have summarised our approach on these below and further details can be found in the Remuneration Report. I trust that you find this report and our Remuneration Policy clear and that you will give your support when voting at our AGM.

Remuneration for FY25

The Group delivered revenue of £69.5m in FY25 (+11.0% year on year) and underlying profit before tax of £1.5m in (FY24: £1.0m). This performance reflects an encouraging improvement in trading momentum year on year, and strong execution against the strategic ambition set out.

Against the targets set, the Group has performed well, resulting in an annual bonus award for the Executive Directors (of which 25% is to be deferred into shares with a two year vesting period). The total value of the CEO award is £355,132 and the total value of the CFO award is £240,069, both representing 88.8% of base salaries. Further details of performance against the relevant targets can be found on page 102 of this report.

Long-term Incentives for Executive Directors granted in August 2022 under the Performance Share Plan are due to vest in August 2025. However, these awards are expected to lapse as the performance conditions based on EPS in FY25 have not been achieved.

No Committee discretion has been applied to remuneration outcomes.

Directors' Remuneration Policy

In the lead up to admission, the proposed Directors' Remuneration Policy was considered carefully to ensure that, after admission, it incentivised and rewarded long-term, sustainable growth of the Group, was compliant with the UK Corporate Governance Code, and was in line with market best practice and the guidelines of UK institutional shareholders and advisory bodies. The Policy was designed to provide market-competitive remuneration for the achievement of stretching targets. The incentives were intended to reward for achieving the long-term business strategy, with a significant proportion payable in shares that must be held long term.

These arrangements were formally approved by shareholders at the 2022 AGM with a 99.99% vote in favour of the resolution to approve the Directors' Remuneration Policy.

The Remuneration Policy is set out on pages 92 to 100. The Policy has been reviewed and considered in detail during the year by the Committee, with support from experts from FIT Remuneration Consultants. The Committee have concluded that no changes are required. The unamended Policy will, therefore, be put forward to shareholders for renewal at the 2025 AGM.

Board changes

In March 2024, Luke Kingsnorth notified the Board that he did not intend to extend his Board membership past the initial three-year term and, in June 2024, he stepped down from the Board and as Chair of the Remuneration Committee. I am very pleased to have joined the ProCook Board on 25 June 2024 and to have taken on the role of Chair of the Remuneration Committee from the same date.

Implementation of the Remuneration Policy for FY26

The Remuneration Committee intends to operate the Remuneration Policy for FY26 as follows:

Base salaries

The CEO's salary will increase to £412,000, and the CFO's salary will increase to £278,512, both reflecting an increase of 3.0%. The wider workforce average increase for the period is 4.5%.

Pensions/benefits

A defined contribution/salary supplement of 3% of salary will be offered to the current Executive Directors (consistent with all colleagues' pension arrangements), together with a standard suite of other benefits.

Annual bonus

For FY26, the maximum annual bonus is 100% of salary and payments will be based on 30% revenue, 30% operating profit, 30% operating cash flow and 10% colleague engagement score. 25% of any bonus will be deferred into shares for two years.

Long-term incentives

A further award is expected to be made in summer 2025 under the Performance Share Plan ("PSP"). Award levels will be set at a maximum of 100% of salary for the Executive Directors. Performance targets will be based on EPS performance over the performance period.

The Committee believes that the above approach takes due account of market and best practice and, importantly, also reflects and supports the Group's strategy and promotes its long-term success.

Wider ProCook Team

The Group's employees are critical to the development of the business and the Remuneration Committee takes an active interest in the wider employee base. The Committee is made aware of pay and employment conditions throughout the Group and is mindful of this when making decisions on Executive pay. It is also responsible for reviewing wider senior Leadership Team pay.

Participation in the Group's SAYE Scheme is offered to all employees and the latest offer was launched in February 2025 with the awards granted on 14 February 2025. There are 70 current participants across the three SAYE schemes that are live, and when combined with the participation under the IPO Employee Share Plan, which vested in November 2024, this means that a substantial proportion of the workforce has a direct interest in the share price performance of the Company. The Group intends to continue to offer subsequent SAYE grants annually.

On behalf of the Committee, thank you for reading this report and we look forward to receiving your support at the forthcoming AGM in relation to the advisory vote on this annual statement, the annual report on remuneration, and the binding vote on the Remuneration Policy.

Meg Lustman
Remuneration Committee Chair

24 June 2025

Directors' Remuneration Policy

This section sets out the Group's Directors' Remuneration Policy, which has been prepared in accordance with the Large and Medium-sized Companies and Groups (Accounts and Reports) Regulations 2008 (as amended) . The Directors' Remuneration Policy will be put to a binding shareholder vote at our 2025 Annual General Meeting and will take effect from that date subject to shareholder approval. The Policy will formally apply for three years unless a new policy is presented to shareholders before then.

The Committee has ensured that the Directors' Remuneration Policy and practices are consistent with the six factors set out in Provision 40 of the Corporate Governance Code:

Clarity
Our Directors' Remuneration Policy is well understood by our senior Executive team and is clearly articulated to our shareholders and representative bodies.

Simplicity
The Committee is mindful of the need to avoid overly complex remuneration structures, which can be misunderstood and deliver unintended outcomes. Therefore, a key objective of the Committee is to ensure that our Directors' Remuneration Policy and practices are straightforward to communicate and operate.

Risk
Our Directors' Remuneration Policy has been designed to ensure that inappropriate risk taking is discouraged and will not be rewarded via: (i) the balanced use of both annual incentives and long-term incentives, which employ a blend of targets; (ii) the significant role played by shares in our incentive plans (together with bonus deferral and shareholding guidelines); and (iii) malus/clawback provisions within all our incentive plans.

Predictability
Our incentive plans are subject to individual caps, with our share plans also subject to standard dilution limits. The use of shares within our incentive plans results in actual pay received being highly aligned to the expectations of our shareholders.

Proportionality
There is a clear link between individual awards, delivery of strategy and our long-term performance. In addition, the significant role played by variable pay, together with the composition of the Executive Directors' service contracts, ensures that poor performance is not rewarded.

Alignment to culture
Our Executive pay policies are fully aligned to the Group's culture through the use of metrics in both the annual bonus and PSP, which measure how we perform against key aspects of our strategy, which has the objective of delivering sustainable growth in profitability.

The following table summarises the key aspects of the Directors' Remuneration Policy:

Executive Directors

Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Base salary To provide competitive fixed remuneration, which attracts and retains Executives of a superior calibre.	Base salaries will be reviewed each year by the Committee. The Committee does not strictly follow data but uses market data for similar roles in comparable companies as a reference point in considering, in its judgement, the appropriate level of salary having regard to other relevant factors, including corporate and individual performance and any changes in an individual's role and responsibilities.	While there is no prescribed maximum salary or increase, it is anticipated that salary increases will normally be in line with increases to the wider workforce salaries. However, in certain circumstances (including, but not limited to, changes in role and responsibilities, market levels, individual and Group performance), the Committee may make larger salary increases to ensure they are market competitive. The rationale for any such increase will be disclosed in the relevant Annual Report on Remuneration.	n/a
Benefits To provide competitive fixed remuneration, which attracts and retains Executives of a superior calibre.	Executive Directors are entitled to benefits, including life assurance. Executive Directors will be eligible for any other benefits, which are introduced for the wider workforce on broadly similar terms, and for other benefits that might be provided based on individual circumstances, if the Committee decides it is appropriate. For external and internal appointments or relocations, the Group may pay certain relocation or incidental expenses as appropriate (for up to two years from recruitment). Any reasonable business-related expenses can be reimbursed (and any related tax met if determined to be a taxable benefit). Executive Directors can also participate in all-employee share plans on the same basis as other employees.	As it is not possible to calculate, in advance, the cost of all benefits, a maximum is not pre-determined. The maximum level of participation in all-employee share plans is subject to the limits imposed by the relevant tax authority.	n/a
Pension To provide all colleagues, including Executive Directors, with long-term savings to allow for retirement planning.	Executive Directors can receive a contribution to a pension arrangement or a cash payment in lieu.	The maximum defined contribution or cash allowance in lieu of pension is limited to the contribution level available to most other employees, which is currently 3% of base salary.	n/a

Directors' Remuneration Policy
Continued

Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Annual Bonus Plan Rewards achievement of annual financial and business targets aligned with the Group's strategy and KPIs. Bonus deferral encourages long-term shareholding, supports retention and discourages excessive risk taking.	Awards are based on performance, typically measured over one year. Pay-out levels are determined by the Committee after the year-end based on performance against pre-set targets. Bonus is normally paid in cash, except not less than 25% of any bonus, which is deferred into an award under the Deferred Bonus Plan ("DBP"), typically for a two-year period. The level of deferral and period for deferral may change in relation to future financial years. Dividend equivalents may accrue on deferred shares. The vesting of deferred shares is not subject to any additional performance conditions. Provisions are included, which enable the Committee (in respect of both the cash and the deferred elements of bonuses) to recover or withhold value in the event of certain defined circumstances (that is, in cases of misconduct, material misstatement of financial results, error in calculation of a bonus payment and reputational damage).	The normal maximum level of Annual Bonus Plan outcomes is 100% of base salary per annum. The normal maximum will only be exceeded in exceptional circumstances and is subject to an overall limit of 200% of salary in a financial year.	Targets are set annually with measures linked to our strategy and aligned with key financial, strategic and/or individual targets. The performance measures for FY26 are set out on page 107. The performance measures applied may be financial or non-financial, corporate, divisional or individual, and in such proportions as the Committee considers appropriate. A graduated scale of targets is set for each measure, with no pay-out for performance below the threshold level. The Committee has the discretion to amend the pay-out should any formulaic outcome not reflect its assessment of overall business performance.
Long-term incentives To incentivise and retain Executive Directors through long-term performance-related pay, with a clear line of sight for Executives and direct alignment with shareholders' interests.	Awards will be in the form of nil-cost share options. Awards will be granted with vesting dependent on the achievement of performance conditions set by the Committee, with performance normally measured over at least three years. Awards will be subject to a two-year holding period following the end of the performance term, with options, typically, not being exercisable by participants until the end of the holding period. Dividend equivalents may accrue on awards, to the extent they vest. The PSP includes provisions that enable the Committee to recover or withhold value in the event of certain defined circumstances (that is, in cases of misconduct, material misstatement of financial results, error in calculation of a vesting level and reputational damage).	The normal maximum PSP award is 100% of salary in a financial year. The normal maximum will only be exceeded in exceptional circumstances and is subject to an overall limit of 200% of salary in a financial year.	PSP performance measures may include financial and shareholder value metrics as well as strategic, non-financial measures. The performance measures for FY26 are set out on page 107. The Committee retains the discretion to set alternative measures and weightings for awards over the life of the policy. Targets are set and assessed by the Committee on its discretion. A maximum of 25% of any element vests for achieving the threshold target, with 100% for maximum performance. The Committee has the discretion to amend the vesting level should any formulaic outcome not reflect its assessment of overall business performance.

Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Share ownership guidelines To align with shareholders' interests and to foster a long-term mindset.	Executive Directors are required to retain all shares that vest, net of any tax liability, under the PSP and DBP awards until the guideline is met. Any share plan awards that have vested but are subject to a holding period, and any shares subject to awards under the DBP, will be credited for the purpose of the guidelines (discounted for anticipated tax liabilities). Executive Directors will be required to maintain a shareholding in the Company for a two-year period after stepping down from that position, being the full value of the shareholding requirement or the Executive Director's actual relevant shareholding at leaving this position if lower.	200% of base salary for all Executive Directors.	n/a
All-employee share plans To encourage share ownership by employees, thereby allowing them to share in the long-term success of the Group and align their interests with those of the shareholders.	These are all-employee share plans established under HMRC tax-advantaged regimes and follow the usual form for such plans. Executive Directors will be able to participate in all-employee share plans on the same terms as other Group employees.	The maximum participation levels for all-employee share plans will be the limits for such plans contained in their rules, which are set by HMRC from time to time.	Consistent with normal practice, such awards will not be subject to performance conditions.

Chair and Non-executive Directors

Purpose and link to strategy	Operation	Maximum opportunity	Performance measures
Chair/Non-executive Director fees To enable the Group to recruit and retain Chairs and Non-Executive Directors of the highest calibre, at an appropriate cost.	The fees paid to the Chair and Non-Executive Directors aim to be competitive with other fully listed companies of equivalent size and complexity. The fees payable to the Non-Executive Directors are determined by the Board, with the Chair's fees determined by the Committee. The Chair and Non-Executive Directors will not participate in any cash or share incentive arrangements. The Group reserves the right to provide benefits (including travel and office support) to the Chair and Non-Executive Directors where appropriate. Should any assessment to tax be made on such reimbursement, the Group reserves the ability to settle such liability on behalf of the Chair or Non-Executive Director.	The aggregate fees (and any benefits) of the Chair and Non-Executive Directors will not exceed the limit from time to time prescribed within the Company's Articles of Association. If the Chair and/or Non-Executive Directors devote special attention to the business of the Group, or otherwise perform services, which, in the opinion of the Directors, are outside the scope of the ordinary duties of a Director, they may be paid such additional remuneration as the Directors or any Committee authorised by the Directors may determine.	n/a

Directors' Remuneration Policy

Continued

Notes to the policy table

Legacy arrangements

In approving this Remuneration Policy, the Company has the authority to honour any previous commitments entered into with current or former Directors (such as the payment of a pension or the unwinding of legacy share schemes or historic share awards) that remain outstanding.

As set out in the Prospectus, the Group has various legacy IPO arrangements, some of which remain subject to time vesting post-IPO. Incentive awards granted prior to the introduction of this Policy will continue to operate in line with the terms agreed at grant, including the IPO Employee Share Plan awards granted to the Executive Directors that are outlined on page 104.

Summary of decision-making process

In determining the Directors' Remuneration Policy, the Committee followed a robust process, which included discussions on the content of the Policy at Remuneration Committee meetings during the year. The Committee considered the input from management and independent advisors, as well as considering views of shareholders and proxy advisory services.

Explanation of performance measures

Annual bonus performance measures are selected annually to align with the Group's KPIs and strategic imperatives and the interests of shareholders and other stakeholders. Financial measures will normally influence most of the bonus with any remainder based on key strategic and/or personal objectives designed to ensure Executive Directors are incentivised across a range of objectives. Target performance is, typically, set in line with the year's business plan, with the threshold to stretch targets set around the plan, based on a sliding scale that reflects relevant commercial factors. Only modest rewards are available at threshold performance levels, with rewards at stretch requiring material outperformance of the business plan. Details of the specific measures used for the annual bonus are set out in the Annual Report on Remuneration.

PSP performance measures will be selected to provide a robust and transparent basis on which to measure the Group's performance, link remuneration outcomes to delivery of the business strategy over the longer term, and provide strong alignment between senior management and shareholders. The Policy provides for Committee discretion to alter the PSP measures and weightings from year to year. This is to ensure that it can continue to measure performance appropriately, if the Group's strategic ambitions evolve over the life of the Policy.

When setting performance targets for the Annual Bonus and PSP, the Committee will consider a number of different factors. These may include the Group's business plans and strategy, external forecasts and the wider economic environment.

The Committee retains the discretion to amend the bonus pay-out and the PSP vesting level if any formulaic outcome does not reflect its assessment of overall business performance over the relevant period.

Flexibility, discretion and judgement

The Remuneration Committee operates the Annual Bonus, DBP and PSP according to the rules of each respective plan, which, consistent with market practice, include discretion in a number of respects to the operation of each plan. Discretions include, but are not limited to:

- Who participates in the plan, the quantum of an award and/or payment, and the timing of awards and/or payments.
- Whether dividend equivalents will apply to the awards.
- Determining the extent of vesting.
- Treatment of awards and/or payments on a change of control or restructuring of the Group.
- Whether an Executive Director or senior manager is a good/ bad leaver for incentive plan purposes and if the proportion of awards that vest do so at the time of leaving or at the normal vesting date(s).
- How and whether an award may be adjusted in certain circumstances (for example, for a rights issue, a corporate restructuring or special dividends).
- What the weighting, measures and targets should be for the annual bonus plan and PSP awards from year to year.
- The ability, within the policy, to adjust targets and/or set different measures or weightings for the applicable annual bonus plan and PSP awards, if the Committee determines that the original conditions are no longer appropriate or do not fulfil their initial purpose. Such changes would be explained in the subsequent Directors' Remuneration Report and, if appropriate, be discussed with our major shareholders.
- The ability to override formulaic outcomes in line with the Policy.

All assessments of performance are ultimately subject to the Committee's judgement. Any discretion exercised, and the rationale, will be disclosed in the Annual Remuneration Report.

The Committee may make minor amendments to the policy set out above (for regulatory, exchange control, tax or administrative purposes or to take account of a change in legislation) without obtaining shareholder approval for that amendment.

Stating maximum amounts for the Remuneration Policy

The DRR regulations and related investor guidance encourages companies to disclose a cap within which each element of the Directors' Remuneration Policy will operate. Where maximum amounts for elements of remuneration have been set within the Directors' Remuneration Policy, these will operate simply as caps and are not indicative of any aspiration.

Travel and hospitality

While the Committee does not consider it to form part of benefits in the normal usage of that term, it has been advised that corporate hospitality (whether paid for by any Group company or another) and business travel for Directors (and exceptionally their families) may technically come within the applicable rules and so the Committee expressly reserves the right for the Committee to authorise such activities within its agreed policies.

Differences between the policy on remuneration for Directors and remuneration of other employees

While the appropriate benchmarks vary by role, the Group seeks to apply the philosophy behind this Policy across the Group as a whole. Where the Group's pay policy for Directors differs from its pay policies for groups of employees, this reflects the appropriate market rate position and/or typical practice for the relevant roles. The Group considers pay levels, bonus opportunity and share awards applied across the Group as a whole when setting the Executive Directors' Remuneration Policy.

Recruitment Remuneration Policy

The Company's Recruitment Remuneration Policy aims to give the Committee sufficient flexibility to secure the appointment and promotion of high-calibre Executives to strengthen the management team and secure the skill sets to deliver our strategic aims.

In terms of the principles for setting a package for a new Executive Director, the starting point for the Committee will be to apply the general Policy for Executive Directors as set out above and structure a package in accordance with that Policy. Any caps contained within the Policy for fixed pay do not apply to new recruits, although the Committee would not envisage exceeding these caps in practice.

The Annual Bonus Plan, DBP and PSP will operate (including the maximum award levels) as detailed in the general Policy in relation to any newly appointed Executive Director. For an internal appointment, any variable pay element awarded in respect of the prior role may either continue on its original terms or be adjusted to reflect the new appointment as appropriate.

For external and internal appointments, the Committee may agree that the Company will meet certain relocation expenses as it considers appropriate.

For external candidates, it may be necessary to make additional awards in connection with the recruitment to buy out awards forfeited by the individual on leaving a previous employer.

For the avoidance of doubt, buy-out awards are not subject to a formal cap. Any recruitment-related awards, which are not buy-outs, will be subject to the limits for Annual Bonus Plan and PSP as stated in the general policy. Details of any recruitment-related awards will be appropriately disclosed.

For any buy-outs, the Company will not pay more than is, in the view of the Committee, necessary and will, in all cases, seek, in the first instance, to deliver any such awards under the terms of the existing Annual Bonus Plan, DBP or PSP. It may, however, be necessary, in some cases, to make buy-out awards on terms that are more bespoke than the existing Annual Bonus Plan, DBP or PSP.

All buy-outs, whether under the Annual Bonus Plan, DBP, PSP or otherwise, will take due account of the service obligations and performance requirements for any remuneration relinquished by the individual when leaving a previous employer. The Committee will seek to the extent possible to provide any buy-out award on a broadly like-for-like basis.

A new Chair/Non-Executive Director would be recruited on the terms explained above in respect of the main policy for such Directors.

Service contracts

Executive Directors

The Committee's Policy is that each Executive Director's service agreement should be of indefinite duration, subject to termination upon no more than six months' notice by either party. The service agreements of the Executive Directors comply with that Policy. Contracts contain provisions allowing the Company to make payments in lieu of notice (albeit not including bonus or benefits) but do not contain change of control provisions.

The Committee reserves flexibility to alter these principles, if necessary, to secure the recruitment of an appropriate candidate and, if appropriate, introduce a longer initial notice period (of up to two years) reducing over time.

The date of each Executive Director's contract is:

Lee Tappenden	19 September 2023
Dan Walden	19 October 2021

Chair and Non-Executive Directors

The Chair and each Non-Executive Director is engaged for an initial period of three years. These appointments can be renewed following the initial three-year term. These engagements can be terminated by either party on three months' notice.

Neither the Chair nor any Non-Executive Directors can participate in the Company's incentive plans, are not entitled to any pension benefits and are not entitled to any payment in compensation for early termination of their appointment beyond the three months' notice referred to above.

Directors' Remuneration Policy
Continued

Name	Date of initial appointment	Initial Term	Term extended	Term extension
Greg Hodder	29 October 2021	3 years	Yes	3 years
Daniel O'Neill[1]	15 October 2023	3 years	–	–
David Stead	29 October 2021	3 years	Yes	3 years
Meg Lustman	25 June 2024	3 years	–	–

1 Daniel O'Neill transitioned into a Non-Executive role, effective 15 October 2023, having previously served as CEO and Executive Director of the Group since 19 October 2021

The Directors' service agreements and letters of appointment are available for shareholders to view from the Group Company Secretary on request.

Termination/change of control policy summary

It is appropriate for the Committee to consider treatments on a termination having regard to all of the relevant facts and circumstances available at that time. This policy applies both to any negotiations linked to notice periods on a termination and any treatments that the Committee may choose to apply under the discretions available to it under the terms of the Annual Bonus Plan, DBP and PSP.

The Company is entitled to terminate the Executive Directors' employment by payment of a cash sum in lieu of notice equal to salary during what would otherwise have been the notice period. A payment in lieu of notice can, at the Company's discretion, be paid as a lump sum, or in equal monthly instalments, over the notice period. There is a mechanism in the service agreement to reduce the instalments where the Executive Director commences alternative employment during the notice period. The Company may also terminate the Executive Directors' employment with immediate effect and with no liability to make any further payments in certain prescribed circumstances (e.g. in the case of a serious or repeated breach of the Executive Directors' obligations).

The potential treatments for the various incentive arrangements if there is a termination of employment or a change of control before the awards have vested are summarised in the table below:

Incentives	If a leaver is deemed to be a "good leaver"; for example, leaving through injury, ill-health, disability, redundancy, sale of business or otherwise at the discretion of the Committee	If a leaver is not a 'good leaver'	Change in control
Annual bonus	Bonuses remain payable on the normal payment date and will be determined on such basis as the Committee may decide, which can include pro-rating for time. Bonuses are not subject to deferral under the DBP.	Annual bonus not generally paid.	Payment is accelerated to the date of the Change of Control. The Committee has discretion to determine the extent to which performance targets are achieved as at the Change of Control, or can waive performance targets. Bonuses are pro-rated for time unless the Committee determines otherwise. Bonuses are not subject to deferral under the DBP.
DBP	Upon death, awards become exercisable on the date of death. Awards are not normally subject to pro-rating unless the Committee determines otherwise. For other "good leavers", awards become exercisable on the vesting date, unless the Committee exercises discretion to allow them to be exercisable from the cessation date. Awards are not normally subject to pro-rating unless the Committee determines otherwise.	All awards will normally lapse.	Awards vest in full.
PSP	Upon death, awards become exercisable on the date of death. If the date of death is during the vesting period, the Committee would need to determine the extent to which the performance targets are achieved on such modified basis as it may consider appropriate and the Awards would be subject to pro-rating, unless the Committee determines otherwise. If the date of death is during the holding period, the Awards are not normally subject to pro-rating, unless the Committee determines otherwise. For other "good leavers" during the vesting period, awards become exercisable on the vesting date (subject to performance), unless the Committee exercises discretion to allow them to be exercisable from the cessation date (in which case, the Committee would need to determine the extent to which the performance targets are achieved on such modified basis as it may consider appropriate). The Awards would be subject to pro-rating unless the Committee determines otherwise. For other "good leavers" during the holding period, awards become exercisable on the cessation date. The Awards are not normally subject to pro-rating unless the Committee determines otherwise.	All awards will normally lapse, unless the Committee determines otherwise, in which case, the Committee has broad discretion to determine the extent to which the Award can be exercised and the timing of exercise.	Awards become exercisable on the Change of Control. If the Change of Control is during the vesting period, the Committee would need to determine the extent to which the performance targets are achieved on such modified basis as it may consider appropriate and the Awards would be subject to pro-rating, unless the Committee determines otherwise. If the Change of Control is during the holding period, the Awards are not normally subject to pro-rating, unless the Committee determines otherwise.
All-employee share plans	As per HMRC regulations.	As per HMRC regulations.	As per HMRC regulations.

The Company has the power to enter into settlement agreements with Directors and to pay compensation to settle potential legal claims. In addition, consistent with market practice, in the event of the termination of an Executive Director, the Company may contribute towards that individual's legal fees and fees for outplacement services as part of a negotiated settlement. Any such fees will be disclosed as part of the detail of termination arrangements. For the avoidance of doubt, the Policy does not include an explicit cap on the cost of termination payments.

External appointments

The Company's Policy is to permit an Executive Director to serve as a Non-Executive Director elsewhere when this does not conflict with the individual's duties to the Company, and where an Executive Director takes such a role, they will be entitled to retain any fees which they earn from that appointment (unless the Committee determines otherwise).

Statement of consideration of employment conditions elsewhere in the Group

Pay and employment conditions generally in the Group are considered when setting Executive Directors' remuneration. The Committee receives regular updates on overall pay and conditions in the Group, including (but not limited to) changes in base pay and any staff bonus pools in operation.

Although the Committee has not, to date, formally consulted with employees on matters of remuneration policy, the Committee will ensure there is appropriate liaison with the People and ESG Director to discuss any remuneration matters that should be considered as part of its annual cycle. Employee engagement scores and other internal surveys will be considered as appropriate.

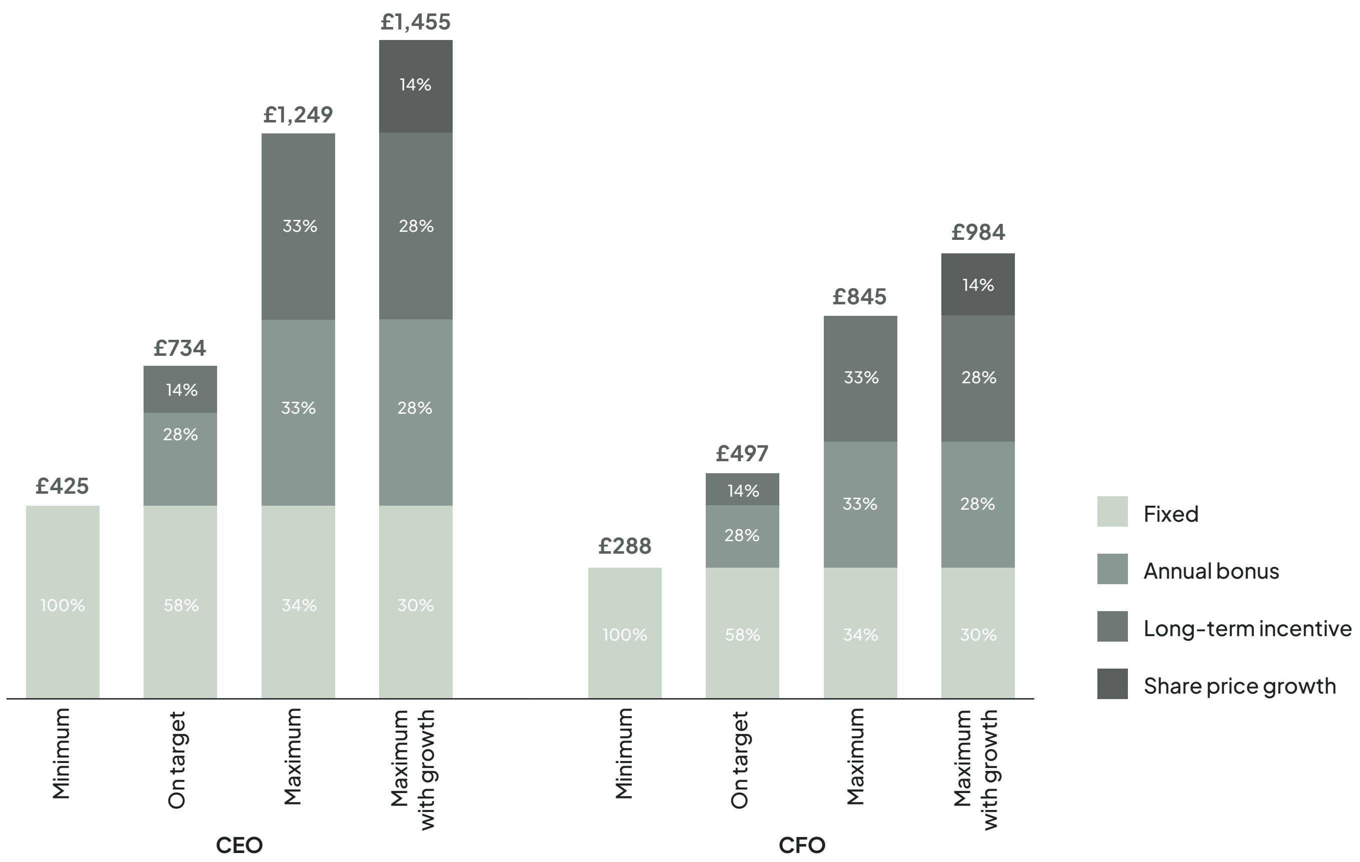
Statement of consideration of shareholder views

When determining Executives' remuneration, the Committee considers the views of shareholders and best practice guidelines issued by institutional shareholder bodies. The Committee is always open to feedback from shareholders on remuneration policy and arrangements, and commits to undergoing shareholder consultation in advance of any significant changes to remuneration policy.

The Committee will continue to monitor trends and developments in corporate governance and market practice to ensure that the structure of the Executive remuneration remains appropriate.

Directors' Remuneration Policy
Continued

Illustrations of application of remuneration policy (£'000)



The chart above aims to show how the Remuneration Policy for Executive Directors will be applied in FY26 using the assumptions in the table below:

Minimum	• Consists of base salary, benefits and pension • Base salary is the salary to be paid with effect from 31 March 2025 • Estimated value of a full year's benefits • Pension measured as company contributions (or cash in lieu) at 3% of salary

£'000	Base salary	Benefits	Pension	Total fixed
Lee Tappenden - CEO	412	1	12	425
Dan Walden - CFO	279	1	8	288

Target	• Annual bonus: consists of an assumed payment of 50% of maximum opportunity • Long-term incentives: consists of the threshold level of vesting (25%) under the PSP
Maximum	• Based on the maximum remuneration receivable (excluding share price appreciation and dividends) • Annual bonus: consists of maximum bonus of 100% of base salary • Long-term incentives: consists of the maximum level of vesting under the PSP of 100% of base salary
Maximum with share price growth	As per the maximum but with a 50% share price growth assumption for the PSP awards

Annual Report on Remuneration

The Committee

The Remuneration Committee was established with effect from Admission. It was chaired by Luke Kingsnorth up to, and including, 25 June 2024, when Luke stepped down from the Board, and Meg Lustman was appointed as Non-Executive Director and Chair of the Remuneration Committee. The Committee's other members are Greg Hodder and David Stead.

The Committee's principal responsibilities are to:

- Recommend to the Board the over-arching principles, parameters and governance framework of the Group's Remuneration Policy
- Determine, within that framework, individual remuneration and benefits packages of each of the Chair, Executive Directors and senior management; and
- Review the design of all share incentive plans for approval by the Board and, where required, shareholders

The Chief Executive Officer is invited to attend meetings of the Committee, except when his own remuneration is being discussed, and the Chief Financial Officer attends meetings by invitation as required. Greg Hodder takes no part in any discussions relating to his own remuneration.

The Committee met three times during the year for scheduled meetings with all members of the Committee present at these meetings.

The Committee has formal Terms of Reference, which can be viewed on the Corporate Governance section of the Group's website www.procookgroup.co.uk.

Key activities during the year

During FY25, the Committee carried out the following activities:

- Agreeing the performance against the targets and pay-out for the FY24 annual bonus awards
- Agreeing Executive Director and senior management base salaries from 31 March 2025
- Setting the performance targets for the FY25 annual bonus and the FY26 annual bonus
- Agreeing the award levels and appropriate targets for the 2024 PSP awards
- Overseeing the operation of the Group's Save as You Earn scheme
- Reviewing the Committee Terms of Reference
- Agreeing remuneration packages for the new senior management roles
- Reviewing the Remuneration Policy

External adviser

FIT Remuneration Consultants LLP ("FIT"), signatories to the Remuneration Consultants Group's Code of Conduct, were appointed by the Committee following a competitive tender process and provide advice to the Committee on all matters relating to remuneration, including best practice. FIT provided no other services to the Group and, accordingly, the Committee was satisfied that the advice provided by FIT was objective and independent. FIT's fees, in respect of FY25, were £16,509 (excluding VAT). FIT's fees were charged on the basis of the firm's standard terms of business for advice provided.

Single total figure table (audited)

The remuneration for the Chair, Executive and Non-Executive Directors of the Group who performed qualifying services during the financial year is detailed below. The Chair and Non-Executive Directors received no remuneration other than their annual fee.

For the year ended 30 March 2025:

Director	Salary/fees £'000	Taxable benefits[1] £'000	Pension £'000	Total fixed remuneration £'000	Bonus[4] £'000	Long-term incentives £'000	Total variable remuneration £'000	Total remuneration £'000
Lee Tappenden	400	1	12	413	355	–	355	768
Dan Walden	270	1	8	279	240	–	240	519
Greg Hodder	95	–	–	95	–	–	–	95
Daniel O'Neill	50	–	–	50	–	–	–	50
David Stead	45	–	–	45	–	–	–	45
Meg Lustman[2]	30	–	–	30	–	–	–	30
Luke Kingsnorth[3]	10	–	–	10	–	–	–	10
Total	900	2	20	922	595	–	595	1,517

Annual Report on Remuneration

Continued

For the year ended 31 March 2024:

Director	Salary/fees £'000	Taxable benefits[1] £'000	Pension £'000	Total fixed remuneration £'000	Bonus £'000	Long-term incentives £'000	Total variable remuneration £'000	Total remuneration £'000
Daniel O'Neill[5]	185	11	5	201	–	–	–	201
Lee Tappenden[6]	215	9[7]	–	224	42[8]	–	42	266
Dan Walden	260	1	8	269	100	–	100	369
Greg Hodder	95	–	–	95	–	–	–	95
David Stead	45	–	–	45	–	–	–	45
Luke Kingsnorth	40	–	–	40	–	–	–	40
Total	**840**	**21**	**13**	**874**	**142**	**–**	**142**	**1,016**

1 Taxable benefits comprise life assurance and car allowance
2 Appointed 25 June 2024
3 Stepped down from the Board on 25 June 2024
4 Per the terms of the Deferred Bonus Plan, 25% of Annual Bonus will be deferred into shares with a two year vest period
5 Transitioned from CEO Executive Director role to NED role on 15 October 2023
6 Appointed 19 September 2023
7 Taxable benefits includes a one-off £8k contribution to relocation expenses
8 Bonus includes a £42k payment in respect of the buy-out of awards forfeited on joining ProCook

Further information on the FY25 annual bonus (audited)

In FY25, the annual bonus for the Executive Directors are subject to financial and strategic metrics which related to performance against financial targets for 90% of the award (revenue, underlying operating profit and operating cash flow) with 10% of the award being based on colleague engagement.

Specifically, the targets were as follows:

£m/%	Threshold	Target	Maximum	Actual	Pay-out (% of max)
Revenue (30% of award)	66.1	68.4	70.3	69.5	78.8%
Underlying operating profit (30% of award)	1.7	2.7	3.5	3.2	83.8%
Operating cash flow (30% of award)	5.2	6.5	7.5	10.1	100%
Colleague engagement score (10% of award)	65%	70%	75%	77%	100%
Total					**88.8%**

	Lee Tappenden	Dan Walden
Maximum bonus (% of base salary)	100%	100%
Total Pay-out (% of Maximum)	88.8%	88.8%
Total Pay-out (% of base salary)	88.8%	88.8%
Total Pay-out (£)	**£355,132**	**£240,069**

Share awards vesting in respect of FY25

Long-term incentives for Executive Directors issued in August 2022 under the Performance Share Plan are due to vest in August 2025; however, these awards are expected to lapse as the attached performance conditions have not been achieved.

	Threshold	Maximum	Actual	Pay-out (% of max)
FY25 Basic Underlying Earnings Per Share (100% of award)	6.0p	7.3p	Below threshold	0%

Statement of Directors' shareholding and share interests (audited)

The table below details for each Director, the total number of Directors' interests in shares as at 30 March 2025:

Director	Beneficially owned 31 March 2024[1]	Beneficially owned 30 March 2025[1]	Vested but unexercised awards	Unvested DBP	Unvested PSP[2]	Shareholding Guideline (% of salary)[4]	Shareholding Guideline met?[4]
Daniel O'Neill	38,846,902	38,846,902	–	–	473,933	–	n/a
Lee Tappenden	228,799	228,799	–	–	3,168,216	200%	No
Dan Walden	50,000	141,380	689,655	–	2,691,912	200%	No
Greg Hodder	39,137	39,137	–	–	–	–	n/a
David Stead	34,482	34,482	–	–	–	–	n/a
Luke Kingsnorth	10,344	10,344	–	–	–	–	n/a

1 The beneficial shareholdings set out above include those held by Directors and their respective connected persons as at 30 March 2025 or at the date of stepping down from the Board if earlier
2 Performance-based share awards granted as nil cost options
3 Options subject to continued service
4 Shareholding guidelines for Executive Directors are 200% of salary. The value of the shares has been calculated using the closing ProCook Group plc share price as at 30 March 2025, which was 22p. Executive Directors will be required to retain all shares that vest, net of any tax liability under the DBP and PSP until the guideline is met

PSP awards granted in FY25

The following awards were granted as nil-cost options under the PSP in FY25:

Director	Date of grant	Basis of award (% salary)	Share price[1]	Number of shares	Face value of award	Exercise period
Lee Tappenden	12 July 2024	100%	25.9p	1,544,401	£400,000	July 2029 to July 2034
Dan Walden	12 July 2024	100%	25.9p	1,044,015	£270,400	July 2029 to July 2034

1 Based on the share price of 25.9p being the average mid-market closing share price on three working days prior to award grant

The performance conditions, applying to the awards made in July 2024, relate to earnings per share (EPS). More specifically:

Adjusted EPS for FY28 financial year	Portion of award vesting
Above 4p	100%
Between 3p and 4p	Pro rata on straight-line between 50% and 100%
3p	50%
Between 2p and 3p	Pro rata on straight-line between 25% and 50%
2p	25%
Below 2p	0%

DBP awards granted in FY25

No DBP awards were granted during the year.

Annual Report on Remuneration

Continued

Outstanding share plan awards

Details of all outstanding share awards made to Executive Directors are set out below:

Executive	Award type	Exercise price (p)	Grant date	Interest at 31 March 2024	Awards granted in the year	Awards lapsed in the year	Awards exercised in the year	Interest at 30 March 2025	Exercise period	Notes
Daniel O'Neill	PSP	0	08/08/22	473,933	–	–	–	**473,933**	Aug 27 – Aug 32	2
Lee Tappenden	PSP	0	19/09/23	1,623,815	–	–	–	**1,623,815**	Sep 28 – Sep 33	3
	PSP	0	12/07/24	–	1,544,401	–	–	**1,544,401**	Jul 29 – Jul 34	4
Dan Walden	PSP	0	12/11/21	344,827	–	(344,827)	–	**–**	Nov 26 – Nov 31	1
	PSP	0	08/08/22	592,417	–	–	–	**592,417**	Aug 27 – Aug 32	2
	PSP	0	19/09/23	1,055,480	–	–	–	**1,055,480**	Sep 28 – Sep 33	3
	PSP	0	12/07/24	–	1,044,015	–	–	**1,044,015**	Jul 29 – Jul 34	4
	IPO ESP	0	12/11/21	172,413	–	–	(172,413)	**–**	Nov 24 – Nov 31	5
	IPO ESP	145	12/11/21	689,655	–	–	–	**689,655**	Nov 24 – Nov 31	5

Notes:

1. See "PSP Awards Granted in FY22" section in the 2022 Directors' Remuneration Report
2. See "PSP Awards Granted in FY23" section in the 2023 Directors' Remuneration Report
3. See "PSP Awards Granted in FY24" section in the 2024 Directors' Remuneration Report
4. See "PSP Awards Granted in FY25" section above
5. See "IPO ESP Awards Granted in FY22" section in the 2022 Directors' Remuneration Report

During the year ended 30 March 2025, the highest mid-market price of the Company's shares was 43p and the lowest mid-market price was 17p. At 30 March 2025, the share price was 22p.

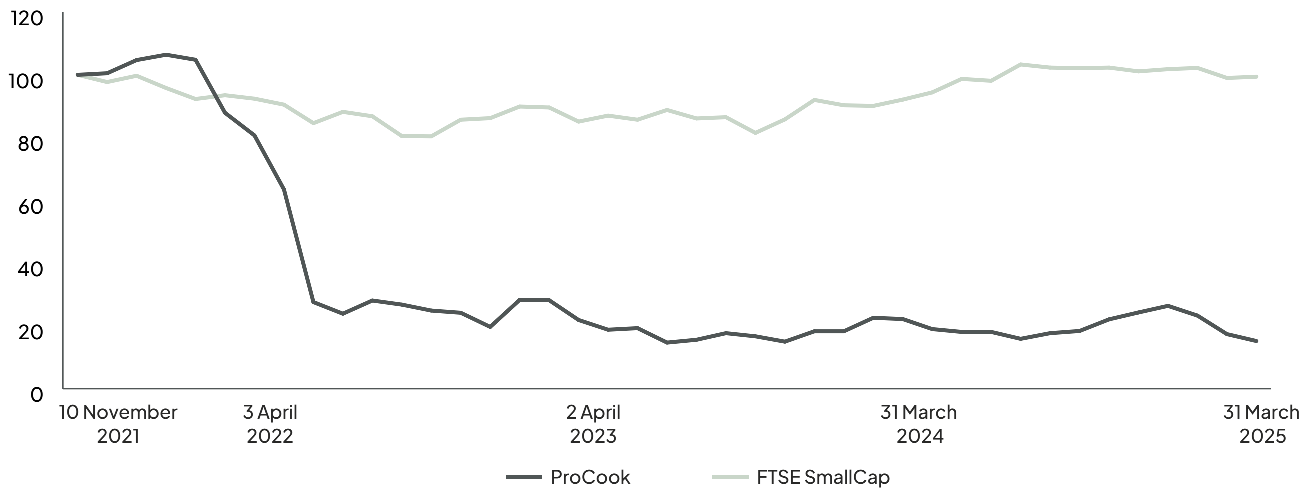
The aggregate gains by all Directors during FY25 was £nil.

Payments to past Directors and in respect of loss of office (audited)

Daniel O'Neill transitioned to a Non-Executive Director role on 15 October 2023. He received his salary, pension entitlement and contractual benefits as usual up until the 15 October 2023, after which he is entitled to a fee of £50,000 per annum for his Non-Executive role. Daniel did not receive a payment for loss of office. The Committee determined that Daniel O'Neill should be treated as a good leaver for the purposes of his awards under the PSP based on his service to the Group. His outstanding awards will continue and vest on the original timescales with the PSP awards remaining subject to the original performance conditions and being pro-rated for time such that one-third of his 2022 PSP award would lapse. Given the impending transition to his Non-Executive role, Daniel was not granted any options under the 2023 PSP award.

Performance graph and CEO remuneration table (unaudited)

The following graph shows the Total Shareholder Return ("TSR") performance of an investment of £100 in ProCook Group plc's shares from its listing in November 2021 to 30 March 2025, compared with a £100 investment in the FTSE SmallCap Index over the same period. The FTSE SmallCap Index was chosen as a comparator because it represents a broad equity market index of similar-sized companies.



Source: Datastream (a Refinitiv product)

The table below details certain elements of the CEO's remuneration over the same period as presented in the TSR Index graph.

Year	CEO	Single figure of total remuneration (£'000)	Annual Bonus pay-out against maximum %	Long-term incentive vesting rates against maximum opportunity %
FY25	Lee Tappenden	**768**	**88.8%**	**n/a**
FY24	Lee Tappenden[1]	266	0%	n/a
FY24	Daniel O'Neill[1]	201	0%	0%
FY23	Daniel O'Neill	237	0%	n/a
FY22	Daniel O'Neill	129	0%	n/a

1 Lee Tappenden was appointed CEO on 19 September 2023, with Daniel O'Neill transitioning to a Non-Executive Director role following a transition period on 15 October 2023.

Annual change in Directors' remuneration compared with other employees

The table below presents the year-on-year percentage change in remuneration for each Director and all employees of the Group.

	% Change from FY24 to FY25			% Change from FY23 to FY24			% Change from FY22 to FY23		
Name	Salary/ Fee	Annual Bonus	Taxable Benefits	Salary/ Fee	Annual Bonus	Taxable Benefits	Salary/ Fee	Annual Bonus	Taxable Benefits
Lee Tappenden	3.0%	n/a	–	n/a	–	–	n/a	n/a	n/a
Dan Walden	3.0%	140%	–	4.0%	n/a	–	4.0%	–	–
Greg Hodder	0.0%	–	–	0.0%	–	–	(20.8%)	–	–
Daniel O'Neill	0.0%	–	–	0.0%	–	–	0.0%	–	–
David Stead	0.0%	–	–	0.0%	–	–	(12.5%)	–	–
Meg Lustman	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a
Luke Kingsnorth	n/a	n/a	n/a	0.0%	–	–	(12.5%)	–	–
All employees	**4.5%**	**196%**	**n/a**	**8.3%**	**–**	**–**	**8.9%**	**–**	**–**

Annual Report on Remuneration

Continued

CEO to employee pay ratio

The table below shows the CEO to employee pay ratio.

Year	Method	25th percentile pay ratio	Median pay ratio	75th percentile pay ratio
FY25	**Option A**	**29.7 : 1**	**28.6 : 1**	**25.6 : 1**
FY24	Option A	18.0 : 1	17.2 : 1	14.3 : 1
FY23	Option A	11.5 : 1	10.8 : 1	8.3 : 1
FY22	Option A	6.2 : 1	5.7 : 1	4.6 : 1

Notes to the CEO to employee pay ratio:

1 Option A takes into consideration the full-time equivalent basis of all employees and provides a representative result of employee pay conditions across the Group.

2 The ratios shown are representative of the FTE 25th percentile, median and 75th percentile pay for UK employees within the Group during the financial year. Full year pay data each financial year shown has been used to calculate the ratios.

3 The pay for part-time employees has been grossed-up to one FTE employee.

4 The Committee has reviewed the employee data and believes the median pay ratio to be consistent with the pay, reward and progression policies for the Group's employees over the period.

The total pay and benefits and the salary component of total pay and benefits for the employee at each of the 25th percentile, the median and the 75th percentile are shown below:

	Salary £'000			Total pay and benefits £'000		
Year	25th percentile	Median	75th percentile	25th percentile	Median	75th percentile
FY25	**25.0**	**25.6**	**27.7**	**25.9**	**26.9**	**30.0**

Relative importance of spend on pay (unaudited)

The table below details the spend on total employee pay in FY25 as detailed in Note 7 of the Financial Statements, compared with distributions to shareholders by way of dividend, share buybacks or any other significant distributions or payments

£'m	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Total gross employee pay	17.7	14.7
Dividends/share buybacks	–	–

Statement of shareholding voting

The following table shows the results of the binding Remuneration Policy vote at the 20 September 2022 AGM and the advisory Directors' Remuneration Report vote at the 11 September 2024 AGM.

	(Binding Vote – 20 September 2022) Approval of the Directors' Remuneration Policy		(Advisory Vote – 11 September 2024) Annual Report on Remuneration	
	Total number of votes	% of votes cast	Total number of votes	% of votes cast
For (including discretionary)	96,065,973	99.986%	**80,223,616**	**99.985%**
Against	13,567	0.014%	**12,061**	**0.015%**
Votes withheld	3,564	–	**–**	**–**

Implementation of policy for FY26 (unaudited information)

Base salary

Base salaries for FY26 are as follows: £412,000 for Lee Tappenden (FY25: £400,000) and £278,512 for Dan Walden (FY25: £270,400).

Pension

Maximum contribution rates for Executive Directors are 3% of salary. This rate is aligned with the general workforce rate.

Benefits

Details of the benefits received by Executive Directors are set out in the Single Total Figure Table on page 101. There is no intention to introduce additional benefits in FY26.

Annual bonus

The annual bonus opportunity for FY26 will be structured in a broadly similar manner to FY25. The maximum bonus will be 100% of salary and will be payable based on 30% underlying operating profit performance, 30% revenue, 30% operating cash flow and 10% colleague engagement score.

These targets are set in light of internal and external forecasts and will require significant outperformance to generate higher levels of pay-out.

Given the competitive nature of the Group's sector, the specific performance targets for FY26 are considered to be commercially sensitive and, accordingly, are not disclosed at this time, although the targets will be disclosed in next year's report in relation to the bonus outturn.

Long-term incentives

Awards are expected to be made under the PSP in 2025 to the Executive Directors. The structure of the awards is being finalised and details will be included in the RNS announcing the awards at the time of their grant.

Chair and Non-Executive Directors' fees

The fees of the Chair and Non-Executive Directors for FY26 will remain in line with the reduced fees, which were implemented from October 2022 onwards as outlined in the Chair's Remuneration Committee Report, for a further year.

Greg Hodder will, therefore, receive a fee of £95,000 as Chair for FY26. Daniel O'Neill will receive a fee of £50,000 as Deputy Chair for FY26.

The other Independent Non-Executive Directors each receive a fee for FY26 of £35,000 with an additional fee of £5,000 for each of the Chair of the Audit and Risk Committee and Chair of the Remuneration Committee and an additional fee of £5,000 for the Senior Independent Director.

Directors' report

This report contains the additional information the Directors are required to include in the Annual Report and Accounts in accordance with the Companies Act 2006 and the Listing Rules.

Disclosures required under Listing Rule 6.6R

The information required to be disclosed under Listing Rule 6.6R, where applicable to the Group, can be found in this Annual Report and Accounts at the references provided below:

Listing Rule requirement	Annual Report location
Interest capitalised	Not applicable
Publication of unaudited financial information	Not applicable
Details of long-term incentive schemes	Pages 103 to 104
Waiver of emoluments by a Director	Not applicable
Waiver of future emoluments by a Director	Not applicable
Non-pre-emptive issues of equity for cash	Not applicable
Non-pre-emptive issues of equity for cash by a major subsidiary	Not applicable
Parent participation in a placing by a listed subsidiary	Not applicable
Contracts of significance	Not applicable
Provision of services by a controlling shareholder	Page 111
Dividend waivers	Not applicable
Agreements with controlling shareholders	Page 111

Results and dividends

The Group's underlying profit after tax for the year ended 30 March 2025 was £1.5m; details are shown in the Consolidated Income Statement on page 120. The Directors are not recommending a final dividend for shareholder approval at the 2025 Annual General Meeting.

Directors

The Directors who held office during the year and up to the date of the signing of this report (unless otherwise indicated) are:

- Greg Hodder
- Daniel O'Neill
- Lee Tappenden
- Dan Walden
- David Stead
- Meg Lustman (appointed 25 June 2024)
- Luke Kingsnorth (resigned 25 June 2024)

Biographies for the current Directors are set out on pages 72 to 73.

Information on the Directors' remuneration, employee share schemes and service contracts are set out in the Directors' Remuneration Policy on pages 92 to 100.

Appointment and replacement of Directors

The rules about the appointment and replacement of Directors are contained in the Company's Articles of Association ('Articles'). They provide that the Directors may be appointed by ordinary resolution of the shareholders or by the Board. Directors appointed by the Board may only hold office until the next AGM of the Company and then shall be eligible for re-election. The Company may remove a Director by ordinary resolution where special notice has been given and the necessary statutory procedures are complied with. In line with best practice corporate governance, all Directors will seek re-election at the 2025 AGM.

Re-election

In accordance with the Code and Articles, all Directors are subject to annual re-election by the shareholders at the AGM.

Time commitment

Each Director's other commitments are disclosed and, in the case of significant appointments, approved by the Board in advance. The Board reviews a schedule of Directors' interests at each Board meeting. The Board is satisfied that the other commitments of the Chair and the independent NEDs do not prevent them from devoting sufficient time to the Group. The Executive Directors work solely for the Group and do not hold any significant external directorships.

Access to advice

All Directors have access to the advice and services of the Company Secretary, who is responsible for advising the Board on corporate governance matters. The Directors are able to take independent, professional advice to assist them, if necessary, at the Company's expense.

Powers of Directors

The general powers of the Directors are set out in article 128 of the Company's Articles. This article provides that the business of the Company shall be managed by the Company, who may exercise all the powers of the Company, subject to any limitations imposed by applicable legislation, the Articles and any directions given by special resolution of the shareholders of the Company.

Compensation for loss of office

The Company does not have arrangements with any Director that would provide compensation for loss of office or employment resulting from a takeover.

Future developments

In accordance with s414C(11) of the Companies Act 2006, the Group has disclosed information about future developments within the Strategic Report on pages 03 to 67.

Additionally, this Directors' Report, Strategic Report and the Financial Statements contain certain forward-looking statements with respect to the financial condition, performance and business of the Group. All forward-looking statements involve risk and uncertainty because they relate to events and circumstances that may or may not occur in the future. There are a number of factors that could cause actual outcomes to differ from those expressed or implied by any forward-looking statements. Nothing in this Governance Report, or Strategic Report or in these Financial Statements should be construed as a profit forecast.

Corporate governance

A report on corporate governance and the Company's compliance with the UK Corporate Governance Code is set out on page 69 and forms part of this report by reference.

Post balance sheet events

There were no post balance sheet events to report.

Research and Development

Qualifying R&D expenditure for the year was £nil (FY24: £nil).

Asset values

Property, plant and equipment is disclosed in Note 15 of the Consolidated Financial Statements on pages 120 to 153. The Directors do not believe there is any material difference between the carrying value and market value.

Financial instruments

An analysis of the Group's financial instruments, risk management objectives and its exposure to credit and liquidity risk are disclosed in Note 25 of the Consolidated Financial Statements.

Global operations

The Group's Store Support Centre, accounting, domestic sales and support functions are based in the UK. The Group has 68 stores nationwide as at the date of this Annual Report.

Political donations

No political donations were made and no political expenditure was incurred during the year.

Charitable donations

Charitable donations of £44k were made during the year.

Stakeholder engagement

Information relating to how the Directors have engaged with employees and other stakeholders, and had regard to the Group's relationships with suppliers, communities and customers when taking key decisions, are set out in the Strategic Report on pages 03 to 67. Our s172(1) Companies Act 2006 statement can be found on page 80.

Colleague involvement

The Group is committed to colleague involvement in the activities and development of our business. Colleagues are kept informed through regular newsletters and town hall events, and their feedback is sought through surveys and the Colleague Advisory Panel.

Read more: engaging with stakeholders on pages 08 to 11

Read more: Sustainability: Our people on pages 25 to 29

Read more: Colleague advisory panel on page 78

Share incentive schemes, in which employees participate, are described in the Annual Report on Remuneration on pages 101 to 107 and in the Consolidated Financial Statements. The Group operates an all-employee SAYE scheme, and also issued shares to qualifying colleagues on IPO, which vested in the year.

Equal opportunities

The Group is committed to providing equal opportunities for all existing and potential colleagues, and has established policies and procedures around diversity, inclusivity and equality.

Read more: diversity, equality and inclusion policy at www.procookgroup.co.uk

Read more: non-financial information and sustainability statement on page 45

Read more : Sustainability: Our people on pages 25 to 29

Employees with disabilities

The Group is committed to providing equal opportunities for all, including existing and potential colleagues with health conditions, visible and non-visible, who meet the criteria to perform the duties required of a role. Where required, ProCook adjusts working environments or provides other flexible means of working to support colleagues. ProCook has been recognised as a Disability Confident Leader (Level 3) and is committed to taking proactive steps to support colleagues through any health issues that may arise.

Directors' report
Continued

Greenhouse gas emissions

The information set out below is that required by the Companies Act 2006 (Strategic Report and Directors' Report) Regulations 2013 and Companies Directors' Report and Limited Liability Partnerships (Energy and Carbon Report)) Regulations 2018.

Greenhouse Gas emissions (tCO_2e)

	FY20	FY21	FY22	FY23	FY24	FY25
Scope 1 – Direct emissions from gas and fuel	575.4	177.7	90.6	70.2	9.8	4.7
Scope 2 – Indirect emissions from electricity	440.2	252.0	357.1	299.7	421.0	414.0
Total Scope 1 and 2 GHG emissions	**1,015.6**	**429.7**	**447.7**	**369.9**	**430.8**	**418.7**
Revenue £m	38.9	53.4	69.2	62.3	62.6	69.5
CO_2 emissions intensity (tCO_2e / £1m revenue)	**26.1**	**8.0**	**6.5**	**5.9**	**6.9**	**6.0**

The reduction in direct emissions (Scope 1) in FY25 is due to the Group's continued focus on energy reduction initiatives and transition towards non-gaseous green energy supply. Increases in indirect emissions from electricity consumption in FY25 due to expansion of our store estate were offset by no longer including overlapping use of the two pre-existing distribution centres and the Group's Store Support Centre , the dual-running of which increased emissions in FY24 prior to the assignment of the leases, and in-store initiatives such as closed door trials during periods of adverse weather. Further information around energy efficiency initiatives can be found on pages 30 to 32.

Streamlined Energy and Carbon Reporting ("SECR")

Energy (Gigawatt hours)[1]	FY20	FY21	FY22	FY23	FY24	FY25
Electricity	1.7	1.1	1.7	1.5	2.1	2.0
Gas	0.3	0.1	0.1	–	–	–
Fuel	2.2	0.7	0.3	0.3	–	–
Total	**4.1**	**1.8**	**2.1**	**1.8**	**2.1**	**2.0**
Revenue £m	38.9	53.4	69.2	62.3	62.6	69.5
Gigawatt hours/ £1m revenue	**0.11**	**0.03**	**0.03**	**0.03**	**0.03**	**0.03**

1 The analysis presented above reflects the Group's operations in the UK. Operations in the EU in previous financial periods were through a third-party provider, and so there is nothing to disclose with respect to non-UK operations. The location-based methodology has been adopted by the Group.

Consumption of energy decreased by -2.9% to 2.0 Gigawatt hours during FY25 driven by the factors set out above in relation to changes in our property estate.

Directors' interests and share options

During the year ended 30 March 2025, no Director had an interest in any significant third-party contract between the Company or any of its subsidiaries. Directors' shareholdings are disclosed in the Annual Report on Remuneration on pages 101 to 108. Details of Directors' share options are set out in Note 27 of the Consolidated Financial Statements.

Directors' conflicts of interest

In accordance with the Companies Act 2006 and the Articles, the Company has arrangements in place to consider and, where appropriate, authorise any Directors' direct or indirect interests, which may conflict with those of the Company. Authorisation is only effective where the matter is put to a vote, excluding the Director who is subject to the conflict authorisation. If a Director becomes aware that they, or a connected party, have an interest in an existing or proposed transaction with the Company, they should notify the Company Secretary as soon as possible. Directors have a continuing obligation to update any changes to potential conflicts and the Board formally reviews any such conflicts periodically. A register of conflicts or potential conflicts is maintained by the Company Secretary and is available to all Directors.

Directors' liability and indemnity insurance

The Group maintains Directors' and Officers' liability insurance, which gives appropriate cover for legal action brought against its Directors. In addition, third-party qualifying indemnity provisions (as defined in s234 of the Act) for its Directors and Officers were in force during the year ended 30 March 2025 and remain in force. There were no qualifying pension scheme indemnity provisions.

Articles of Association

A copy of the Articles of Association can be obtained from the Company's registered office and is also available on the Group's website and the Companies House website. The Articles may only be amended by special resolution of the shareholders.

Share capital and waiver of pre-emption rights

The Company has one class of share in issue. The rights attached to each share are identical and each share carries equal rights to dividends, return of capital on the winding up of the Company and one vote at general meetings of the Company. There are no securities carrying special rights. There are no restrictions on the transfer of shares in the Company (other than following a service of notice under s793 of the Act) and there are no restrictions on any voting rights or deadlines, other than those prescribed by law.

As at 30 March 2025, the Company had 108,956,624 fully paid ordinary shares of 1p each in issue, which are traded on the London Stock Exchange. Details of the share capital at 30 March 2025 are disclosed on page 149.

Authority for the Company to purchase its own shares

In line with the approval granted in the 2024 AGM, a new resolution will be proposed at the 2025 AGM that the Company be authorised to purchase up to approximately 10% of its ordinary shares at the Directors' discretion. If the resolution is passed, the authority will lapse at the conclusion of the 2026 AGM or, if earlier, 15 months from the date of the resolution being passed.

Substantial shareholdings

At 30 March 2025 the Company had been notified of the following disclosable interests of 3% or more in the Company's ordinary share capital:

	As at 30 March 2025	
Shareholder	**No. of shares held**	**% voting rights**
Michael O'Neill	36,257,024	33.28
Daniel O'Neill	16,648,725	15.28
Sarah O'Neill	14,798,785	13.58
Fackelmann GmbH + Co. KG	14,548,944	13.35
Daniel O'Neill and Sarah O'Neill as trustees of the O'Neill 2021 Discretionary Settlement	7,399,392	6.79
Canaccord Genuity Wealth Limited	4,500,000	4.31

Between the year-end date and 20 June 2025 (being the latest practicable date prior to the date of this report), the Company had not been notified of any changes in substantial shareholdings.

Provision of services by substantial shareholders

Daniel O'Neill is the Company's Deputy Chair and Founder and holds a Non-Executive Director position on the Board. Daniel has a beneficial interest in 35.65% of the Company's issued share capital. This includes shares held by Sarah O'Neill, and by Daniel O'Neill and Sarah O'Neill as trustees of the O'Neill 2021 Discretionary Settlement.

Significant agreements

Daniel O'Neill, Sarah O'Neill, Michael O'Neill, Richard O'Neill, and Daniel and Sarah O'Neill as trustees of the O'Neill 2021 Discretionary Settlement (together, the "Controlling Shareholders") collectively exercise or control 69.30% of the Company's voting rights. The Company has entered into a Relationship Agreement with the Controlling Shareholders to ensure that the Company is managed for the benefit of its shareholders as a whole and (save in respect of any duties, responsibilities and actions of Daniel O'Neill as a Non-Executive Director of the Company) independently of the Controlling Shareholders, and that the principle of equality of treatment of shareholders set out in Listing Principle 5 of UKLR 2.2.1R is upheld and maintained. The agreement also ensures that all transactions, agreements and arrangements between the Company and any of the Controlling Shareholders is on an arm's length basis and on normal commercial terms. Both the Company and the Controlling Shareholders have complied with these provisions. The agreement remains in place until the Controlling Shareholders cease to exercise or control 20% or more in aggregate of the total voting rights of the Company. The Company continues to be able to carry on its main activities independently from the controlling shareholders at all times.

Change of control

Change of control provisions are included in the Group's banking agreements. Should a change of control event occur, the Group's revolving credit facility would be subject to immediate cancellation and the bank may call for immediate repayment of any balance outstanding.

Directors' report
Continued

Viability statement
The Directors have undertaken a comprehensive review and assessment of longer-term viability in accordance with the UK Corporate Governance Code The Directors has determined that a three-year viability assessment period covering the three financial years ending March 2028 appropriately reflects the speed of change in the retail and consumer environment and is consistent with the Group's annual strategic planning cycle. This time period provides a reasonable balance between the long-term nature of investments and the key drivers of near-term business performance.

Having reviewed current performance, financial projections under a variety of scenarios related to the Group's principal risks and uncertainties, total facilities and liquidity (including the reduced liquidity risk resulting from the revised leverage covenant attached to the RCF), and debt servicing requirements, the Board expects the Group to have adequate resources to continue in operation, meet its liabilities as they fall due, and retain sufficient available liquidity across all three years of the assessment period.

Read more: Assessing long-term viability on pages 66 to 67.

Directors' statement regarding disclosure of information to the Auditor
The Directors confirm that, so far as they are each aware, there is no relevant audit information of which the Group's Auditor is unaware. The Directors also confirm that they have taken all reasonable steps to make themselves aware of any relevant audit information and to establish that the Group's Auditor is aware of that information.

Appointment of Auditor
On the recommendation of the Audit and Risk Committee, resolutions will be proposed at the 2025 AGM to re-appoint Forvis Mazars LLP as Auditor of the Company and Group, and to authorise the Audit and Risk Committee to set the Auditor's remuneration.

Annual General Meeting
The Company's AGM will be held on 10 September 2025. Details of the resolutions to be proposed at the AGM are set out in the Notice of Meeting, which is provided to all shareholders.

The Directors' Report was approved by the Board of Directors on 24 June 2025 and signed on its behalf by:

Dan Walden
Chief Financial Officer

Statement of Directors' Responsibilities

The Directors are responsible for preparing the Annual Report and the Group and Parent Company Financial Statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare Group and Parent Company Financial Statements for each financial year. Under that law they are required to prepare the Group Financial Statements in accordance with UK-adopted international accounting standards in conformity with the requirements of the Companies Act 2006 and applicable law. In addition, the Group consolidated Financial Statements are required under the UK Disclosure Guidance and Transparency Rules to be prepared in accordance with UK-adopted International Financial Reporting Standards as issued by the International Accounting Standards Board.

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

- Select suitable accounting policies and then apply them consistently
- Make judgements and estimates that are reasonable, relevant and reliable
- State whether they have been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006, and as regards the Group financial statements, the UK-adopted International Financial Reporting Standards as issued by the International Accounting Standards Board
- Assess the Group and Parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern
- Use the going concern basis of accounting unless they either intend to liquidate the Group or the Parent Company or to cease operations or have no realistic alternative but to do so

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Parent Company's transactions and disclose with reasonable accuracy at any time the financial position of the Parent Company and enable them to ensure that its Financial Statements comply with the Companies Act 2006.

They are responsible for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error, and have general responsibility for taking such steps as are reasonably open to them to safeguard the assets of the Group and to prevent and detect fraud and other irregularities. Under applicable law and regulations, the Directors are also responsible for preparing a Strategic Report, Directors' Report, Directors' Remuneration Report and Corporate Governance Statement, which comply with that law and those regulations.

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

Responsibility statement of the Directors in respect of the Annual Financial Report
We confirm that to the best of our knowledge:

- The Group Consolidated Financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and the UK-adopted International Financial Reporting Standards, and give a true and fair view of the assets, liabilities, financial position and profit or loss of the Company and the undertakings included in the consolidation taken as a whole; and
- The Parent Company Financial Statements have been prepared in accordance with the requirements of the Companies Act 2006 and the financial reporting standards applicable in the UK and Republic of Ireland (FRS 102), and give a true and fair view of the assets, liabilities, and financial position of the Company; and
- The Strategic Report includes a fair review of the development and performance of the business and the position of the issuer and the undertakings included in the consolidation, taken as a whole, together with a description of the principal risks and uncertainties that they face. We 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 position and performance, business model and strategy.

The Statement of Directors' Responsibilities was approved by the Board of Directors on 24 June 2025 and signed on its behalf by:

Lee Tappenden
Chief Executive Officer

Dan Walden
Chief Financial Officer

Independent auditor's report
to the members of ProCook Group plc

Opinion

We have audited the financial statements of ProCook Group Plc (the 'parent company') and its subsidiaries (the 'group') for the 52 weeks to 30 March 2025 which comprise the Consolidated income statement, the Consolidated statement of financial position, the Consolidated statement of cash flows and the Consolidated statement of changes in equity, the parent company statement of financial position and the parent company statement of changes in equity and the notes to the financial statements, including material accounting policy information.

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 FRS 102 "The Financial Reporting Standard applicable in the UK and Republic or Ireland" (United Kingdom Generally Accepted Accounting Practice), as applied in accordance with the provisions of the Companies Act 2006.

In our opinion:

- the group financial statements and parent company financial statements (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 30 March 2025 and of the group's profit for the period 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, as applied in accordance with the provisions of the Companies Act 2006; 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 the 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 entities and 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.

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 audit procedures to evaluate the directors' assessment of the group's and the parent company's ability to continue to adopt the going concern basis of accounting included but were not limited to:

- Undertaking an initial assessment at the planning stage of the audit to identify events or conditions that may cast significant doubt on the group's and the parent company's ability to continue as a going concern;
- Obtaining an understanding of the relevant controls relating to the directors' going concern assessment;
- Making enquiries of the directors to understand the period of assessment considered by them, the assumptions they considered and the implication of those when assessing the group's and the parent company's future financial performance;
- Challenging the appropriateness of the directors' key assumptions in their cash flow forecasts, as described in note 1, by reviewing supporting and contradictory evidence in relation to these key assumptions and assessing the directors' consideration of severe but plausible scenarios. This included assessing the viability of mitigating actions within the directors' control;
- Reviewing the terms of loan agreements and financing facilities for covenants, and assessing the extent to which they are restrictive and have been accurately included in severe but plausible scenarios;
- Inspecting the changes in the terms and conditions of financing facilities and covenants, and any changes in the terms that may impact the conclusions made;
- Testing the accuracy and functionality of the model used to prepare the directors' forecasts;
- Assessing the historical accuracy of forecasts prepared by the directors;
- Considering the consistency of the directors' forecasts with other areas of the financial statements and our audit; and
- Evaluating the appropriateness of the directors' disclosures in the financial statements on going concern.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the group's and 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.

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

In relation to ProCook Group Plc's reporting on how it has 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 director's considered it appropriate to adopt the going concern basis of accounting.

Key audit matters

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

We summarise below the key audit matters in forming our opinion above, together with an overview of the principal audit procedures performed to address each matter and our key observations arising from those procedures.

These matters, together with our findings, were communicated to those charged with governance through our Audit Completion Report.

Key Audit Matter	How our scope addressed this matter
Impairment of store-level CGUs (Group) Refer to page 133 (accounting policy) and page 140 of the financial disclosures. There is a significant risk relating to the carrying value of Right-Of-Use assets ("ROUA") and Property Plant and Equipment ("PPE") included in Cash Generating Units ("CGU") as a result of continued economic uncertainty. As at 30 March 2025, the Group held £21m (2024: £20.5m) in ROUA and £10.8m (2024: £8.2m) in PPE. The Directors are required to determine the CGU and assess the CGU for impairment triggers on an annual basis. Where impairment triggers are identified, the Directors are required to calculate a Value-In-Use ("VIU") for each CGU and compare this to the carrying amount of the CGU. For the purposes of impairment assessments, the Group determines each store to be a CGU. Our key audit matter focuses on management's judgment in determining whether an impairment trigger existed at year-end. Management has not performed a full impairment assessment for the entire store estate portfolio, as they have concluded that macroeconomic conditions have not deteriorated to a level that would require such a review. Instead, they have assessed individual stores separately, defining each as a cash-generating unit (CGU) and applying a two-step approach: first evaluating whether the store meets quantitative metrics, followed by an assessment of qualitative factors. Based on our risk assessment, if impairment triggers are not appropriately identified, there is a risk that the carrying value of store assets may be overstated. We have designated this as a key audit matter due to the significant audit effort and challenge involved in evaluating management's judgments in this area.	Our audit procedures included, but were not limited to: • Testing the design and implementation of key controls related to the review of impairment triggers; • Obtaining and inspecting the directors' judgement and assessment of impairment triggers per IAS 36; • Assessing the identification of CGUs at the store level in accordance with IAS 36. This assessment considered factors such as whether each store can generate independent cash flows; • Challenging the directors' assessment of store performance and the completeness and integrity of data used in impairment assessments; • Comparing and contrasting the directors' impairment trigger assessment to external market data and internal qualitative factors; • Assessing the completeness of the directors' impairment trigger assessment and validating that all open stores were included in the assessment; • Agreeing assumptions to supporting documentation such as board-approved budgets; • Assessing management's assumption that there is no reversal of prior period impairments; • Assessing the completeness and accuracy of disclosures within the financial statements in accordance with the applicable accounting standards. **Our observations** We are satisfied that the key assumptions utilised in the impairment review performed, as noted above, are appropriate. No material exceptions were noted in our testing to confirm the valuation of the store assets.

Independent auditor's report continued

to the members of ProCook Group plc

Key Audit Matter	How our scope addressed this matter
Valuation of investment (Company) Refer to page 157 (accounting policy) and page 159 of the financial disclosures. The parent company holds a material investment in subsidiaries of £69m at 30 March 2025. There is a risk of error relating to the identification of impairment triggers, and the judgement required when assessing for impairment. There is a risk of material misstatement of asset values if management's assessment does not accurately consider potential triggers. We have identified the recoverability of the parent company's investment in subsidiaries as a Key Audit Matter. This is based on the quantum of this balance relative to the parent company Statement of financial position (98.6% of total assets).	Our audit procedures included, but were not limited to: • Testing the design and implementation of key controls. • Inspecting and challenging management's impairment trigger assessment including but not limited to; – Comparing the carrying value of the investment with the year-end market capitalisation of ProCook Group plc. – Challenging the directors on the extent to which the market capitalisation when compared to the carrying value of the investment indicates an impairment trigger exists. – Assessment and challenge of external and internal triggers that may indicate an impairment trigger. – Assessing the completeness and accuracy of disclosures within the financial statements in accordance with United Kingdom Generally Accepted Accounting Practice. **Our observations** We are satisfied that the key assumptions utilised in the impairment indicator assessment are appropriate.

Our application of materiality and an overview of the scope of our audit

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and on the financial statements as a whole. Based on our professional judgement, we determined materiality for the financial statements as a whole as follows:

Group materiality

Overall materiality	£521k
How we determined it	0.75% of revenue in the year.
Rationale for benchmark applied	Revenue is prominent to the financial statements and of principal interest to the users of the financial statements. Revenue has been selected as the most suitable benchmark due to the volatility in the profit before tax in the 52-week period ended 30 March 2025.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £338k, which represents 65% of overall materiality.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £24k as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

Parent company materiality

Overall materiality	£187k
How we determined it	0.3% of Total Equity
Rationale for benchmark applied	ProCook Group Plc is a holding entity, and therefore not profit or revenue focused. Total Equity is deemed to be the most appropriate benchmark for the users of the financial statements. We have selected 0.3% of Total Equity which is capped at component materiality.
Performance materiality	Performance materiality is set to reduce to an appropriately low level the probability that the aggregate of uncorrected and undetected misstatements in the financial statements exceeds materiality for the financial statements as a whole. We set performance materiality at £130k, which represents 70% of overall materiality.
Reporting threshold	We agreed with the directors that we would report to them misstatements identified during our audit above £9k as well as misstatements below that amount that, in our view, warranted reporting for qualitative reasons.

As part of designing our audit, we assessed the risk of material misstatement in the financial statements, whether due to fraud or error, and then designed and performed audit procedures responsive to those risks. In particular, we looked at where the directors made subjective judgements, such as assumptions on significant accounting estimates.

We tailored the scope of our audit to ensure that we performed sufficient work to be able to give an opinion on the financial statements as a whole. We used the outputs of our risk assessment, our understanding of the group and the parent company, their environment, controls, and critical business processes, to consider qualitative factors to ensure that we obtained sufficient coverage across all financial statement line items.

Our group audit scope included an audit of the group and the parent company financial statements. Based on our risk assessment, all components of the group, including the parent company, were subject to a full scope audit performed by the group engagement team. Our audit scope covered 100% of the revenue, total assets and profit before tax (PBT). All components were audited by the same audit team.

At the parent company level, the group audit team also tested the consolidation process and carried out analytical procedures to confirm our conclusion that there were no significant risks of material misstatement of the aggregated financial information.

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. 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 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 those reports have been prepared in accordance with applicable legal requirements;
- the information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 in the Disclosure Guidance and Transparency Rules sourcebook made by the Financial Conduct Authority (the FCA Rules), is consistent with the financial statements and has been prepared in accordance with applicable legal requirements; and
- information about the parent company's corporate governance code and practices and about its administrative, management and supervisory bodies and their committees complies with rules 7.2.2, 7.2.3 and 7.2.7 of the FCA Rules.

Independent auditor's report continued

to the members of ProCook Group plc

Matters on which we are required to report by exception

In 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; or
- information about internal control and risk management systems in relation to financial reporting processes and about share capital structures, given in compliance with rules 7.2.5 and 7.2.6 of the FCA Rules.

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; or
- a corporate governance statement has not been prepared by the parent company.

Corporate governance statement

The Listing Rules require us to review the directors' statement in relation to going concern, longer-term viability and that part of the Corporate Governance Statement relating to ProCook Group Plc's compliance with the provisions of the UK Corporate Governance Statement specified for our review.

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 or 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 124;
- Directors' explanation as to its assessment of the entity's prospects, the period this assessment covers and why the period is appropriate, set out on page 112;
- Directors' statement on fair, balanced and understandable, set out on page 113;
- Board's confirmation that it has carried out a robust assessment of the emerging and principal risks, set out on page 54;
- The section of the annual report that describes the review of effectiveness of risk management and internal control systems, set out on page 87; and;
- The section describing the work of the audit committee, set out on page 86.

Responsibilities of Directors

As explained more fully in the directors' responsibilities statement set out on page 113, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below.

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

Based on our understanding of the group and the parent company and their industry, we considered that non-compliance with the following laws and regulations might have a material effect on the financial statements: employment regulation, health and safety regulation, anti-money laundering regulation and data protection.

To help us identify instances of non-compliance with these laws and regulations, and in identifying and assessing the risks of material misstatement in respect to non-compliance, our procedures included, but were not limited to:

- Gaining an understanding of the legal and regulatory framework applicable to the group and the parent company, the industry in which they operate, and the structure of the group, and considering the risk of acts by the group and the parent company which were contrary to the applicable laws and regulations, including fraud;
- Inquiring of the directors, management and, where appropriate, those charged with governance, as to whether the group and the parent company is in compliance with laws and regulations, and discussing their policies and procedures regarding compliance with laws and regulations;
- Inspecting correspondence with relevant licensing or regulatory authorities;
- Reviewing minutes of directors' meetings in the year; and
- Discussing amongst the engagement team the laws and regulations listed above, and remaining alert to any indications of non-compliance.

We also considered those laws and regulations that have a direct effect on the preparation of the financial statements, such as tax legislation, pension legislation, the Companies Act 2006.

In addition, we evaluated the directors' and management's incentives and opportunities for fraudulent manipulation of the financial statements, including the risk of management override of controls, and determined that the principal risks related to posting manual journal entries to manipulate financial performance, management bias through judgements and assumptions in significant accounting estimates, in particular in relation revenue recognition (which we pinpointed to the occurrence of store sales and cut-off on online sales) and significant one-off or unusual transactions.

Our procedures in relation to fraud included but were not limited to:

- Making enquiries of the directors and management on whether they had knowledge of any actual, suspected or alleged fraud;
- Gaining an understanding of the internal controls established to mitigate risks related to fraud;
- Discussing amongst the engagement team the risks of fraud;
- Addressing the risks of fraud through management override of controls by performing journal entry testing;
- Seeking disconfirming evidence by obtaining external records to assess management assumptions against;
- Incorporating an element of unpredictability in the selection of the nature, timing, and extent of audit procedures performed;
- Including the use of data analytics to identify outliers in testing performed.

The primary responsibility for the prevention and detection of irregularities, including fraud, rests with both those charged with governance and management. As with any audit, there remained a risk of non-detection of irregularities, as these may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal controls.

The risks of material misstatement that had the greatest effect on our audit are discussed in the "Key audit matters" section of this report.

A further description of our responsibilities is available on the Financial Reporting Council's website at 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 Audit and Risk Committee on 22 November 2021 to audit the financial statements for the year ending 3 April 2022 and subsequent financial periods. The period of total uninterrupted engagement is 4 years, covering the years ending 3 April 2022 to 30 March 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 our additional report to the audit committee.

Use of the audit 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 Disclosure Guidance and Transparency Rules, these financial statements will form part of the electronic reporting format prepared annual financial report filed on the National Storage Mechanism of the Financial Conduct Authority. This auditor's report provides no assurance over whether the annual financial report will be prepared using the correct electronic reporting format.

Charlene Lancaster (Senior Statutory Auditor)
for and on behalf of Forvis Mazars LLP
Chartered Accountants and Statutory Auditor
One St Peter's Square

24 June 2025

Consolidated Income Statement

For the 52 weeks ended 30 March 2025

£'000s	Note	52 weeks ended 30 March 2025 Underlying	52 weeks ended 30 March 2025 Non-underlying	52 weeks ended 30 March 2025 Reported	52 weeks ended 31 March 2024 Underlying	52 weeks ended 31 March 2024 Non-underlying	52 weeks ended 31 March 2024 Reported
Revenue	1	**69,493**	**–**	**69,493**	62,585	–	62,585
Cost of sales		**(23,778)**	**–**	**(23,778)**	(21,486)	–	(21,486)
Gross profit		**45,715**	**–**	**45,715**	41,099	–	41,099
Operating expenses	2	**(42,555)**	**(344)**	**(42,899)**	(39,025)	(145)	(39,170)
Other income	6	**47**	**–**	**47**	49	–	49
Operating profit/(loss)		**3,207**	**(344)**	**2,863**	2,123	(145)	1,978
Finance expense	9	**(1,415)**	**–**	**(1,415)**	(1,230)	(132)	(1,362)
Other (losses)/gains	10	**(272)**	**–**	**(272)**	114	–	114
Profit/(loss) before tax		**1,520**	**(344)**	**1,176**	1,007	(277)	730
Tax (expense)/credit	11	**(247)**	**73**	**(174)**	(165)	45	(120)
Profit/(loss) for the period		**1,273**	**(271)**	**1,002**	842	(232)	610
Total comprehensive income/(loss)		**1,273**	**(271)**	**1,002**	842	(232)	610
Earnings per ordinary share – basic	13	**1.17p**		**0.92p**	0.77p		0.56p
Earnings per ordinary share – diluted	13	**1.08p**		**0.85p**	0.73p		0.53p

Consolidated Statement of Financial Position

As at 30 March 2025

£'000s	Note	As at 30 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Intangible assets	14	**26**	104
Property, plant and equipment	15	**10,767**	8,232
Right-of-use assets	16	**20,958**	20,522
Deferred tax asset	11	**526**	655
Total non-current assets		**32,277**	29,513
Current assets			
Inventories	17	**12,095**	9,716
Trade and other receivables	18	**2,480**	3,742
Current tax asset		**101**	145
Cash and cash equivalents	19	**2,762**	2,005
Total current assets		**17,438**	15,608
Total assets		**49,715**	45,121
Liabilities			
Current liabilities			
Trade and other payables	20	**13,932**	10,431
Lease liabilities	16	**3,708**	3,347
Provisions	21	**273**	253
Borrowings	22	**1,805**	2,754
Total current liabilities		**19,718**	16,785
Non-current liabilities			
Trade and other payables	20	**77**	48
Lease liabilities	16	**19,586**	19,295
Provisions	21	**639**	565
Total non-current liabilities		**20,302**	19,908
Total liabilities		**40,020**	36,693
Net assets		**9,695**	8,428
Equity and reserves attributable to shareholders of ProCook Group plc			
Share capital	26	**1,090**	1,090
Share option reserve	27	**2,241**	4,099
Share premium	26	**1**	1
Retained earnings	26	**6,363**	3,238
Total equity and reserves		**9,695**	8,428

The financial statements on pages 120 to 153 were approved by the Board of Directors on 24 June 2025 and were signed on its behalf by:

Dan Walden
Chief Financial Officer

24 June 2025

Consolidated Statement of Cash Flow

For the 52 weeks to 30 March 2025

£'000s	Note	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Cash flows from operating activities			
Profit before tax		**1,176**	730
Adjustments for:			
Depreciation of property, plant and equipment	15	**1,234**	936
Amortisation of intangible assets	14	**78**	131
Loss on disposal of property, plant and equipment	2	**45**	457
Gain on disposal of leases	2	**–**	(2,301)
Depreciation of right-of-use assets	16	**4,356**	3,945
Unrealised FX losses/(gains)	10	**219**	(411)
Share-based payments	27	**495**	514
Cash outlay on exercise of share options	27	**(230)**	(360)
Finance expense	9	**1,415**	1,362
Operating cash flows before movements in working capital		**8,788**	5,003
(Increase)/decrease in inventories	17	**(2,379)**	1,799
Decrease/(increase) in trade and other receivables		**1,220**	(1,459)
Increase in trade and other payables		**3,229**	3,255
Increase in provisions	21	**94**	5
Income taxes paid		**–**	(9)
Net cash flows from operating activities		**10,952**	8,594
Investing activities			
Purchase of property, plant and equipment	15	**(3,828)**	(1,844)
Lease inception costs		**(249)**	(71)
Lease incentives received		**–**	60
Net cash used in investing activities		**(4,077)**	(1,855)
Financing activities			
Interest paid on borrowings		**(419)**	(367)
Interest paid on lease liabilities	9	**(975)**	(982)
Proceeds from borrowings		**22,521**	23,974
Repayment of borrowings		**(23,470)**	(25,923)
Lease principal payments	16	**(3,775)**	(3,398)
Net cash (used in) financing activities		**(6,118)**	(6,696)
Net movement in cash and cash equivalents		**757**	43
Cash and cash equivalents at beginning of the period		**2,005**	1,962
Cash and cash equivalents at end of period		**2,762**	2,005

Consolidated Statement of Changes in Equity

For the 52 weeks to 30 March 2025

£'000s	Note	Share capital	Share premium	Share option reserve	Retained earnings	Total equity
As at 2 April 2023		**1,090**	**1**	**6,891**	**(318)**	**7,664**
Total comprehensive profit for the period		–	–	–	610	**610**
Employee share-based payment awards	27	–	–	514	–	**514**
Exercise of share options	27	–	–	(3,306)	2,946	**(360)**
As at 31 March 2024		**1,090**	**1**	**4,099**	**3,238**	**8,428**
Total comprehensive profit for the period		–	–	–	1,002	**1,002**
Employee share-based payment awards	27	–	–	495	–	**495**
Exercise of share options	27	–	–	(2,353)	2,123	**(230)**
As at 30 March 2025		**1,090**	**1**	**2,241**	**6,363**	**9,695**

Consolidated Financial Statements Accounting Policies

For the 52 weeks to 30 March 2025

General information

The Group financial statements consolidate those of the ProCook Group plc (the 'Company') and its subsidiaries, together referred to as the 'Group'.

ProCook Group plc (the Company) is a public limited company incorporated and domiciled in England and Wales under the Companies Act 2006 (Registration number: 13679248). The registered office is ProCook, 10 Indurent Park, Gloucester, GL10 3EZ.

The principal activity of the Company together with its subsidiary undertakings throughout the period is the sale of kitchenware and related products in stores and via ecommerce platforms.

Basis of preparation

These consolidated financial statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006, UK-adopted IFRS as issued by the International Accounting Standards Board. The consolidated Group financial statements are presented in pounds sterling, being the Group's functional currency, and generally rounded to the nearest thousand. They are prepared on the historical cost basis, unless otherwise stated.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company and Group have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The material accounting policies adopted in the preparation of the financial information are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

Going concern

The financial statements have been prepared on a going concern basis. The Group has reported a profit before tax of £1.2m after non-underlying items for the financial year ended 30 March 2025 (FY24: profit before tax of £0.7m) and had a net asset position of £9.7m as at 30 March 2025 (31 March 2024: £8.4m), with a net current liabilities position of £2.0m (31 March 2024: net current liabilities position of £1.2m). The Group had net cash (cash and cash equivalents less borrowings) of £1.0m at 30 March 2025 (31 March 2024: net debt of £0.8m) with available liquidity headroom of £17.0m.

In their assessment of going concern, the Board has considered a period of at least 12 months from the date of signing these financial statements. In considering whether it is appropriate to adopt the going concern basis in the preparation of the financial statements, the Directors have considered the Group's principal risks and uncertainties and have assessed the impact of a range of downside scenarios, including a severe but plausible downside scenario, on the Group's expected financial performance, position and cash generation. The scenarios have been informed by a comprehensive review of the macroeconomic environment, including consideration of slowdown in the Bank of England base rate cutting cycle, reduced yet persistent inflationary pressure, risks associated with increased tariffs and other geo-political tensions, including the impacts on our supply chain.

Consideration has been given to the availability of facility headroom and covenant compliance within the Group's financing facilities, the recently extended RCF agreement and amended leverage charge covenant terms, details of which are as follows:

- The Group's bank facility agreements and the associated covenants are set out in the CFO's Review within this report and include a committed £10m RCF, with a £5m accordion option to the RCF, subject to lender approval, and an uncommitted £6m trade finance facility.
- On the 28 March 2025, the Group successfully arranged a one-year extension to the RCF, which extends the expiry date out from April 2026 to April 2027. Additionally, the terms in respect of leverage cover have been amended for Q2 test dates for FY26 and FY27 with net debt to be no greater than 3.0x EBITDA. It remains at 2.0x for all other test dates. The fixed charge covenant test remains unchanged, requiring EBITDAR to be no less than 1.4x fixed charges.

The base case for the scenario modelling extends from the Group's annual budget plan that was approved by the Board in March 2025. Forecasts for FY27 are based on the Group's strategic objectives and its medium-term financial plan, which projects forwards from the latest FY26 budget.

Key assumptions include Ecommerce and Retail like for like ("LFL") revenue growth, gross margin performance, the financial impacts of opening of new stores (including capital investments and time to maturity), operational efficiencies being delivered, investment in marketing activity and the appropriate level of inventory required to maintain strong product availability for customers.

In their consideration of the Group's principal risks and uncertainties, the Board believes that the most likely and most impactful risks that the Group faces are those surrounding geopolitical tensions and the resulting macro-economic factors, including supply chain disruption risk, and depressed consumer confidence having the potential to drive a longer time reduction in demand and a resulting increase in competition within the kitchenware market.

The Board has reviewed the potential downside impact of these risks unfolding, modelled under a number of scenarios, including a severe but plausible downside scenario, which reflected the following assumptions:

- A significant reduction in customer demand and shopping frequency, caused by continued disposable income pressures and consumer caution in light of economic uncertainty, and additional cost impacts driven by continued supply chain disruption associated with the Suez Canal diversions and other geo-political tensions. The impacts of these factors have been reflected in a 10% lower revenue performance in the FY26 year compared to base case, increasing to a 15% decrease in FY27, combining to reflect a 99% reduction in Group revenue growth over the assessment period compared to the base case.
- Fewer new store openings in FY27 are included on the basis that there would be lower management confidence of positive return on investment from such openings.
- A reduction in gross margins in FY26 of -100bps increasing to -200ps for FY27 compared to the base case to reflect the risk of heightened supply chain costs and potential increased promotional requirements to stimulate demand in a more competitive market.

Under this severe but plausible downside scenario, and before mitigating actions, the Group would remain within its available borrowing facilities throughout the assessment period and remain compliant with all covenants related to its banking arrangements.

The Board has also reviewed a reverse stress test, which has been applied to the base case model to determine the level of sales decline that would result in a breach of financial covenants. A reduction in revenue, with no mitigations applied, of 12% compared to the base case in FY26 would be required to breach the fixed charge covenant at the quarter two test date in FY26. The sales decline required to trigger a breach of the fixed charge covenant would need to be sustained over a number of months, with mitigating actions available to Management, which have not been factored into the scenario. Such a scenario is, therefore, not considered by the Board to be reasonably likely to occur, or to present a realistic threat to the Group's existence as a going concern.

If any of the downside scenarios were to arise, including the severe but plausible downside scenario and the reverse stress test scenario, there are a series of mitigating actions that the Group could seek to implement to protect or enhance financial performance and position including to:

- increase selling prices for products that have lower price elasticity to help offset additional sourcing costs;
- increase promotional activity to accelerate trading performance and reduce stock levels, or alternatively, reduce promotional activity to better protect gross margins;
- reduce paid media marketing spend and postpone or reduce other planned marketing activities;
- reduce variable costs in operational functions to reflect the lower sales volumes;
- reduce central overhead costs (including headcount investment) over the short or medium term;
- delay new store openings or capital expenditure in technology and logistics;
- renegotiate or seek extended payment terms with suppliers on a permanent or temporary basis; and
- seek alternative forms of financing or new banking terms to support working capital and investment requirements.

The Board has also considered the potential impacts of climate change risks (as set out on pages 42 to 44). These are not considered to have a material effect on the Group's financial projections over the assessment period.

Conclusion

The Board has undertaken a comprehensive review and assessment of going concern. Having reviewed current performance, financial projections under a variety of scenarios related to the Group's principal risks and uncertainties, total facilities and liquidity (including the reduced liquidity risk resulting from the revised leverage covenant attached to the RCF), and debt servicing requirements, the Board expects the Group to have adequate resources to continue in operational existence and meet its liabilities as they fall due over the period of at least 12 months from the date of approving these financial statements. Accordingly, the financial statements have been prepared under the going concern basis of accounting.

Further information regarding the Group's business activities, together with the factors likely to affect its future development, performance and position is set out in the Strategic Report on pages 03 to 67.

Consolidated Financial Statements Accounting Policies continued

For the 52 weeks to 30 March 2025

Critical accounting estimates and judgements

The Group makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

The key estimates and judgements that are used within the financial statements are set out below:

Judgement: Deferred tax asset

The Group has recognised a deferred tax asset of £0.5m on the Consolidated Statement of Financial Position as at 30 March 2025 (31 March 2024: £0.7m). In recognising this asset, the Group has applied judgement in its consideration of recoverability. In assessing recoverability, the Group has reviewed its base case financial projections, which extend from the annual budget plan that was approved by the Board in March 2025. Forecasts for FY27 and beyond are based on the Group's strategic objectives and its five-year financial plan, which projects forwards from the FY26 budget.

Key assumptions include Ecommerce and Retail like-for-like revenue growth, gross margin performance, the financial impacts of opening of new stores (including capital investments and time to maturity), operational efficiencies being delivered, investment in marketing activity and the appropriate level of inventory required to maintain strong product availability for customers.

The recognition of the deferred tax asset in relation to the carried forward losses is judged to be appropriate given there being projections of sufficient future taxable profits against which such deferred tax assets could be offset (as prescribed in IAS 12.24).

The Group has also considered upside and downside scenario projections alongside the base case scenario. Even under the downside scenario projections, there were sufficient future profit expectations, against which the deferred tax asset could be recovered. In all cases, the projections indicated that the deferred tax asset could be recovered within a three time period.

Judgement: Lease terms and expiries

Judgement is exercised in determining the lease term and expiry date of the lease. IFRS 16 defines the lease term as the non-cancellable period of a lease together with the options to extend or terminate a lease, if the lessee were reasonably certain to exercise that option, or when either the lessee or the lessor each has the right to terminate the lease without permission from the other party with no more than an insignificant penalty. At the inception of any lease, the Group assesses whether it is more likely than not to continue utilisation of the leased asset subsequent to any option to terminate, assessing the likelihood of exercising a break option by considering current economic and market conditions, current trading performance, forecast profitability, the significance of any fees payable, and the level of capital investment in the property, as well as the status of any open dialogue with Landlords. Subsequent adjustments are made to the lease terms where break options are reassessed, the results of which could be to extend or reduce recognised lease terms.

Judgement: Indicators of impairment

The Group has determined that only stores that have been open and trading for at least 24 months would be assessed for indicators of impairment, being an appropriate period to allow the CGU to mature post-opening and therefore to provide a more reliable indication of the future economic performance.

The Group has reviewed recent financial performance of individual CGUs and given consideration to the wider economic environment, and a range of other potential factors, including any site-specific circumstances, to identify any indicators of impairment. Given the gradually improving economic backdrop year on year, and the continued like-for-like growth in the period, management have concluded that macro-economic factors do not constitute indicators of material impairment and, therefore, a full impairment test across all CGUs was not required. Where individual CGUs have indicators of impairment, an impairment assessment has been carried out as at 30 March 2025.

Other accounting estimates

The consolidated financial statements include other areas of judgement and accounting estimates. Other areas of estimation are those containing estimation on material assets, but where the range of reasonably possible outcomes would not result in a material change to the financial statements.

Estimate: Discount rates

IFRS 16 states that the lease payments shall be discounted using the lessee's incremental borrowing rate where the rate implicit in the lease cannot be readily determined. Accordingly, all lease payments have been discounted using the Group's incremental borrowing rate (IBR). The IBR has been determined by using a range of data, including current economic and market conditions, review of current debt and capital within the Group and comparisons against seasoned corporate bond rates. Further details can be found in note 16.

Judgement: Guarantees relating to assigned leases

In FY24, the Group assigned two leases of warehouse premises formerly occupied for operational purposes under a tripartite licence agreement agreed with the landlord. The assignee entities are wholly responsible for fulfilling all future obligations under the terms of the leases, which run until July 2035 and September 2040. ProCook Limited has, however, entered into a guarantee contract with the landlord whereby if the assignees default on rents (which total £682,994 per annum) payable under the terms of the leases, then the landlord may recover any rent default as that rent falls due from ProCook Limited and has the option in the event of default, by giving six months' notice, to require ProCook Limited to enter into a new lease on terms no more onerous than the existing lease for the remainder of the lease term.

The Group is required to recognise expected credit loss provision ("ECL") based on unbiased forward-looking information in relation to these financial guarantee contracts provided to the landlord. At the reporting date, an allowance is required for the 12-month (Stage 1) ECLs. If the credit risk has significantly increased since initial recognition (Stage 2), or if the financial instrument is credit impaired (Stage 3), an allowance (or provision) should be recognised for the lifetime ECLs. The measurement of ECL is calculated using two main components: probability of default and loss given default. The probability of default for both assignees has been assessed by the Directors by reference to credit ratings provided by an external credit rating agency on the basis that credit risk had not increased significantly since the guarantees were granted to the landlord. The loss given default is based on the Directors' assessment of the guaranteed rental and other costs, including business rates and re-marketing costs that would be incurred by the Group in the event of default by the assignees under the terms of the guarantee contract. The Directors consider that a 12-month period represents a prudent assessment of the period that rental and related costs would be incurred in the case of default, and this has been reflected in their calculation of the loss given default.

Applying the assumptions set out above, the resultant ECL provision that would be required is trivial and, therefore, no cost in relation to the contract and no ECL provision has been reflected in these financial statements.

Estimate: impairment provision

The Group has performed an impairment assessment in respect of all CGUs, which have indicators of impairment or reversal of previous impairment. To perform the impairment assessment, the Group has determined the value-in-use of each CGU over its remaining useful life. In doing this, estimates have been made on future financial performance in order to determine a reasonable estimate for the value-in-use of each CGU. The forecast financial performance based on the Group's three-year plan, has been prepared utilising both historical experience as well as a forward-looking estimates with respect to trading conditions and performance, together with allocations of central overheads and an estimate of Ecommerce contribution attributable to customers first acquired in stores, reflecting the omnichannel nature of our business. In the year ended 30 March 2025 this assessment has not resulted in any impairment charge or reversal, thereof, to the Consolidated Income Statement.

Basis of consolidation

Group companies included in the consolidated financial statements for FY25 include ProCook Group plc and all subsidiary undertakings, which are those entities that it controls. ProCook Group plc controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and can affect those returns through its power to direct the activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to ProCook Group plc until the date that control ceases. The Company assesses whether it controls an investee if facts and circumstances indicate that there are changes to one or more of the elements of control indicators listed above.

Where necessary, amounts reported by subsidiaries have been adjusted to conform with ProCook Group plc's accounting policies.

Transactions eliminated on consolidation

Intra-group balances, and any unrealised gains and losses or income and expenses arising from intra-group transactions are eliminated in preparing the financial information. Losses are eliminated in the same way as gains, but only to the extent that there is no evidence of impairment.

Revenue recognition

The Group records customer transactions through its store point of sale systems and its Ecommerce platforms. Revenue is recognised at the point in time when the Group delivers a product or service to a customer, whether this be at the point of sale in store, or later upon delivery to a customer. Payment of the transaction price is due immediately when the customer purchases the product in store or upon ordering online.

Revenue is measured as the fair value of the consideration received or receivable, excluding discounts, value added tax and other sales taxes. Revenue is reduced for estimated customer returns, and other similar allowances.

Deferred revenue

Sales made through the Group's website are recognised at the point the product is delivered to the customer. Deferred revenue is recognised as a creditor at the point where the order has been received and not yet despatched, or where the goods have been despatched but are yet to be delivered to the customer.

Deferred revenue arises in respect of gift cards as payment has been received for a performance obligation, which will be performed at a later point in time, when the gift card is redeemed or expires. No estimate for breakage has been recognised in revenue.

Refunds and returns

At the point at which goods are supplied, the Group provides customers with a right to return goods within a 30-day period for a full refund subject to certain terms and conditions. The Group has established a refunds and returns other payables balance within the Consolidated Statement of Financial Position to provide for the expected level of returns on sales made before the period end but returned after the period end. The provision for returns is calculated based on estimated refund and return rates using historical trends. The associated estimated value of cost of sales related to the returned items is also reflected within inventory.

Consolidated Financial Statements
Accounting Policies continued
For the 52 weeks to 30 March 2025

Expenses

Share-based payments

The Group operates a number of share-based compensation plans which are all equity settled, in exchange for services received from employees. The fair value of these compensation plans is calculated at the grant date using the Black-Scholes model. The resulting cost is expensed to the Consolidated Income Statement over the vesting period. The value of the expense is adjusted to reflect expected and actual levels of vesting, considering any performance conditions that may apply to individual plans.

Social security contributions payable in connection with the grant of the share options are considered an integral part of the grant itself and the expense is treated as a cash-settled transaction.

No other entities in the Group other than ProCook Group plc have issued any equity-settled share-based incentives.

Employee benefits

The costs of short-term employee benefits are recognised as an expense in the Consolidated Income Statement as incurred. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Group is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions

The Group operates a defined contribution pension scheme using an external pensions partner. Contributions to the scheme are expensed to the Consolidated Income Statement in the period to which the contributions relate. The assets of the scheme are held separately from those of the Group.

Non-underlying items

Non-underlying items are defined as transactions that, in the opinion of the Directors, should be disclosed separately from the reported Consolidated Income Statement in order to provide a consistent and comparable view of the underlying performance of the Group. This will include those items that relate to non-recurring events and are material in nature and which have been incurred outside of the normal business operations, including, but not limited, to restructuring and fund-raising activities.

Finance income and expenses

Finance income comprises interest on bank deposits.

Finance expense comprises of interest payable on the Group's finance facilities and lease liability interest, which are expensed to the Consolidated Income Statement in the period in which they are incurred.

Foreign currency translation

Transactions in foreign currencies are recorded at the rate of exchange prevailing at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies, are retranslated at the rate of exchange prevailing at the end of the reporting period. Any exchange gains or losses are recognised in the Consolidated Income Statement.

Current and deferred taxation

Taxation, comprising current and deferred taxation, is recognised in the Consolidated Income Statement, except where a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity, respectively.

Current tax on profits or losses for the period, is calculated based on tax rates and laws that have been enacted, or substantively enacted, by the reporting date in the UK where the Group operates and generates taxable income.

Deferred tax balances in the Consolidated Statement of Financial Position are recognised in respect of all temporary differences that have originated but not reversed by the balance sheet date, except where:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits;
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met; and
- Where timing differences relate to interests in subsidiaries, associates, branches and joint ventures and the Group can control their reversal and such reversal is not considered probable in the foreseeable future.

Dividends

Ordinary dividends proposed by the Board of Directors are only recognised in the Consolidated Statement of Financial Position when they have been approved by the shareholders, and the Company is obliged to make payment.

Intangible assets

Intangible assets with finite useful lives that are either acquired separately or internally developed are carried at cost less accumulated amortisation and accumulated impairment losses.

Directly attributable costs associated with software development by the Group's own IT experts, in respect of customised IT programmes and systems controlled by the Group are capitalised as intangible assets, provided they meet the following recognition requirements:

- The development costs can be measured reliably
- The project is technically and commercially feasible
- The Group intends to and has sufficient resources to complete the project
- The Group has the ability to use or sell the software
- The software will generate probable future economic benefits.

Software development costs not meeting these criteria are classified as research or maintenance expenditure and are expensed to the Consolidated Income Statement as they are incurred. Directly attributable costs include employee costs incurred on software development and external developer costs.

The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis.

Intangible assets are amortised on a straight-line basis over their estimated useful lives. Assets under construction are capitalised as expenditure is incurred, with amortisation commencing from the point at which the asset starts being utilised by the Group. Annual impairment assessments are undertaken to ensure the valuations remain appropriate. Amortisation is provided on the following basis:

- Intangibles (Software) 3 years, straight line

Property, plant and equipment

Property, plant and equipment acquired and owned by the Group is stated at historical cost less accumulated depreciation and any accumulated impairment losses. Historical cost includes expenditure that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Assets under construction are capitalised as expenditure is incurred and tested for impairments annually. Depreciation is expensed to the Consolidated Income Statement to allocate the cost of assets, less any residual value, over their estimated useful lives, using the straight-line method. Depreciation is provided on the following basis, from the point at which the asset starts being utilised by the Group:

- Land and buildings 5 – 10 years, straight line
- Plant and machinery 10 – 20 years, straight line
- Fixtures and fittings 3 – 10 years, straight line (or over term of the lease)
- Motor vehicles 5 years, straight line

The assets' residual values, useful lives and depreciation methods are reviewed, and adjusted prospectively if appropriate, or if there is an indication of a significant change since the last reporting date. At each reporting period end date, the Group reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any).

The recoverable amount is the higher of the asset's fair value less any costs to sell and its value in use. If the recoverable amount of an asset is estimated to be less than its carrying amount, the carrying amount of the asset is reduced to its recoverable amount and an impairment loss is recognised immediately in the Consolidated Income Statement.

Gains and losses on disposals are determined by comparing any proceeds on disposal with the carrying amount and are recognised in the Consolidated Income Statement.

Consolidated Financial Statements Accounting Policies continued
For the 52 weeks to 30 March 2025

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

To assess whether a contract conveys the right to control the use of an identified asset, the Group assesses whether a physically distinct asset can be identified; the Group has the right to obtain substantially all of the economic benefits from the asset throughout the period of use; the Group has the ability to direct the use of the asset over the lease term; and is able to restrict the usage of third parties as applicable.

Leases are recognised in the Consolidated Statement of Financial Position as a right-of-use asset with a corresponding lease liability except for:

- Leases of low value assets (less than £5,000); or
- Leases with a duration of 12 months or less.

Right-of use assets are initially measured at the amount of the lease liability, reduced for any lease incentives received, and increased for:

- Lease payments made at or before commencement of the lease;
- Initial direct costs incurred; and
- The amount of any provision recognised where the Group is contractually required to dismantle, remove, or restore the leased asset.

Lease liabilities are recognised in the Consolidated Statement of Financial Position measured at the present value of the contractual payments due to the lessor over the lease term, with the discount rate determined by reference to the rate inherent in the lease unless (as is typically the case) this is not readily determinable, in which case the Group's incremental borrowing rate on commencement of the lease is used.

On initial recognition, the carrying value of the lease liability also includes:

- Amounts expected to be payable under any residual value guarantee;
- The exercise price of any purchase option granted in favour of the Group if it is reasonably certain to access that option; and
- Any penalties payable for terminating the lease, if the term of the lease has been estimated on the basis of the termination option being exercised.

Subsequent to initial measurement, lease liabilities increase as a result of interest charged at a constant rate on the balance outstanding and are reduced for lease payments made. Right-of-use assets are depreciated on a straight-line basis over the remaining term of the lease or over the remaining economic life of the asset if, rarely, this is judged to be shorter than the lease term. When the Group revises its estimate of the term of any lease (because, for example, it re-assesses the probability of a lessee extension or termination option being exercised), it adjusts the carrying amount of the lease liability to reflect the payments to make over the revised term, which are discounted at the revised discount rate applicable at the date of estimation. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term.

Where the Group's property leases contain variable payment terms, payments determined as variable are treated as a charge to the Consolidated Income Statement and not capitalised. Variable lease payments are only included in the measurement of the lease liability if they depend on an index or rate. In such cases, the initial measurement of the lease liability assumes the variable element will remain unchanged throughout the lease term.

Dilapidations
The value of any provision for contractually committed future costs to dismantle, remove or restore a leased asset are included in the initial measurement of a right-of-use asset.

Inventories
Inventory is recognised in the Consolidated Statement of Financial Position at the lower of cost and net realisable value. Cost is determined on a weighted average cost basis and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition. Net realisable value is the amount that can be realised from the sale of the inventory in the normal course of business after allowing for the costs of realisation.

Inventory in transit at the period end is included within inventory at cost, where ownership of legal title by the Group can be readily determined.

At each reporting date, an assessment is made for impairment. Any excess of the carrying amount of inventory over its estimated selling price less costs to sell is recognised as an impairment loss in the Consolidated Income Statement. In the current period, the Group has determined that it should reduce the carrying value of inventory to recognise the estimated exposure to writing off damaged items held at cost within inventory at the year end, which will subsequently be disposed of by the Group when identified as damaged of faulty after the year end. Reversals of impairment losses are also recognised in the Consolidated Income Statement.

Trade and other receivables
Trade receivables are initially recognised at transaction price and subsequently measured at amortised cost.

The Group makes use of a simplified approach in accounting for trade and other receivables and records the loss allowance as lifetime expected credit losses. These are the expected shortfalls in contractual cash flows, considering the potential failure to make payment to the Group in line with agreed terms, at any point during the life of the financial instrument. In calculating this, the Group uses its historical experience, external indicators, and forward-looking information to calculate the expected credit losses.

The Group assesses impairment of trade and other receivables on a collective basis as they possess shared credit risk characteristics based on grouping debt by days overdue.

Cash and cash equivalents
Cash and cash equivalents are liquid financial assets and include cash in hand, deposits held on call with banks, cash in transit to the Group in respect of debit and credit card receipts, and other short-term liquid investments with original maturities of three months or less.

Trade and other payables
Trade and other payables are initially recognised at fair value on the Consolidated Statement of Financial Position and subsequently measured at amortised cost.

Financial instruments
Financial instruments are all financial assets and financial liabilities that comprise a contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity and are detailed in note 25.

Financial assets and financial liabilities are recognised in the Consolidated Statement of Financial Position when the Group becomes party to the contractual provisions of the instrument. Financial assets and financial liabilities are initially measured at fair value. Transaction costs that are directly attributable (other than financial assets or liabilities at fair value through profit or loss are added to or deducted from the fair value as appropriate, on initial recognition.

A financial liability is derecognised when the obligation under the liability is discharged, cancelled, or expires. A financial asset is derecognised when the rights to receive cash flows from the asset have expired.

The fair values of financial instruments measured at amortised cost and derivative instruments recognised at fair value are disclosed in note 25.

Financial assets
Financial assets are subsequently classified into the following categories:

- Financial assets at fair value through profit or loss;
- Fair value through other comprehensive income; or
- Amortised cost.

The classification depends on the nature and purpose of the financial asset (i.e. the Group's business model for managing the financial assets and the contractual terms of the cash flows) and is determined at the time of initial recognition.

They are measured at amortised cost if they are held within a business model whose objective is to hold financial assets in order to collect contractual cash flows and the contractual terms give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets not held at amortised cost or fair value through other comprehensive income are held at fair value through profit or loss. At present the Group only has financial assets held at amortised cost, apart from derivatives, which are measured at fair value through profit or loss.

Financial liabilities
Debt and equity instruments are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements.

Equity instruments are any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments are recognised at proceeds received net of issue costs.

Financial liabilities are classified as either financial liabilities at fair value through profit or loss or financial liabilities at amortised cost, which are measured using the effective interest method. At present, the Group only has financial liabilities held at amortised cost, apart from financial guarantees and derivatives, which are measured at fair value through profit or loss.

Consolidated Financial Statements Accounting Policies continued

For the 52 weeks to 30 March 2025

Financial guarantees

The Group recognises financial guarantees where it has an obligation to reimburse another party for a loss should a specified debtor does not make payment to them in line with contractual requirements. These guarantees, relating to the assignment of previously occupied warehouses, are measured at fair value through profit or loss based on the Expected Credit Losses model and are remeasured at each reporting date in accordance with the requirements of IFRS 9.

Impairment of financial assets

IFRS 9 requires the use of forward-looking information to recognise expected credit losses – the 'expected credit loss model'. Recognition of credit losses is not dependent on the Group first identifying a credit loss event; instead, the Group considers a broader range of information when assessing credit risk and measuring expected credit losses, including past events, current conditions and reasonable and supportable forecasts that affect the expected collectability of the future cash flows of the instrument.

Derivatives

Derivatives are initially recognised in the Consolidated Statement of Financial Position at fair value at the date a derivative contract is entered into and are subsequently remeasured to fair value at each reporting end date. The resulting gain or loss is recognised in the Consolidated Income Statement within other gains/(losses) immediately unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Consolidated Income Statement depends on the nature of the hedge relationship.

A derivative with a positive fair value is recognised as a financial asset, whereas a derivative with a negative fair value is recognised as a financial liability.

Provisions

Provisions are recognised in the Consolidated Statement of Financial Position where a legal or constructive obligation has been incurred, which will probably lead to an outflow of resources that can be reasonably estimated. The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the reporting end date, taking into consideration the risks and uncertainties surrounding the obligation. The timing of cash outflows are ,by their nature, uncertain and are, therefore, best estimates. A contingent liability is disclosed where the existence of the obligations will only be confirmed by future events, or where the amount of the obligation cannot be measured with reasonable reliability.

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. When a provision is measured at present value, the unwinding of the discount is recognised as a finance cost in the Consolidated Income Statement in the period in which it arises.

Warranties

All ProCook products are offered with a warranty ranging from 12 months to 25 years. This warranty provides the customer with the right to return the product, should it not be performing in the manner as described when the product was purchased. The customer is then entitled to a replacement product free of charge.

All warranties in the Group are assurance type warranties as the Group assures that the product will perform as expected. The Group's warranties do not provide any additional services to the customer and are not able to be purchased separately; the warranties provide a guarantee to the customer that the product will perform as expected.

The Group maintains a warranty provision in respect of future expected cost of claims outstanding at the year-end, based on sales which are accompanied by product warranties made prior to the financial year-end and historical return rate trends.

Dilapidations

The Group maintains a dilapidations provision in respect of its future restoration cost obligations of leasehold properties occupied by, or previously occupied by, the Group as at the financial year-end, based on historical average costs incurred to vacate and make good a property, and any specific contractual requirements detailed within lease contracts.

Borrowings

Interest-bearing loans are initially recorded at their fair value and subsequently held at amortised cost. Arrangement and transaction fees incurred are amortised over the term of the loan. Borrowings are classed as current liabilities unless the Group has a right to defer settlement of the liability for at least 12 months after the date of the Consolidated Statement of Financial Position.

Share capital

Changes in the share capital structure are recognised within equity on the Consolidated Statement of Financial Position, with any excess over the nominal share price being recognised within share premium. Where the Company purchases its own equity share capital (treasury shares) the consideration paid, including any directly attributable incremental costs, is deducted from the equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently sold or reissued, any consideration received net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Impairment of non-financial assets

At the end of each reporting period, the Group reviews the carrying amounts of its non-financial assets to determine whether there is an indication of impairment. For impairment purposes, assets are grouped at the lowest levels for which there are largely independent cash inflows (cash-generating unit or CGU). As a result, some assets are tested individually for impairment, and some are tested at the CGU level. Management considers CGUs to be determinable by individual store and the various ecommerce platforms.

Assets and CGUs are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the assets or CGU's carrying amount exceeds its recoverable amount, which is the higher of fair value less costs of disposal and value-in-use.

To determine the value-in-use, management estimate expected future cash flows from the CGU and determine a suitable discount rate to calculate the present value of those cash flows. Discount factors are determined for the CGU to reflect current market assessments of the time value of money and asset-specific risk factors.

Impairment charges are allocated on a pro-rata basis in accordance with the CGU's carrying amounts. In allocating the impairment loss to a CGU the carrying amount of each asset within the CGU is reduced to the highest of its fair value less costs to sell; value-in-use; or nil. Recognition of impairment losses do not result in a recognition of a liability. All assets are subsequently reassessed for indications that an impairment loss previously recognised may no longer exist. An impairment loss is reversed if the assets or CGU's recoverable amount exceeds its carrying amount.

Segmental reporting

The Group's operating segments are reported in a manner consistent with the internal reporting provided to the Board of Directors. The Board is identified as the Chief Operating Decision-Maker ("CODM") for the business and is responsible for making strategic decisions, allocating resources, and assessing performance of the operating segments. The Group is considered to have two operating segments: Ecommerce and Retail.

Revenues and underlying operating profits for both segments are generated from the sale of kitchenware and related products. Each segment has separate operational characteristics and are identifiable by way of where the customer completes their transaction; either in a retail store, or via one of the ecommerce website platforms the Group has operated during the year.

New standards, amendments and interpretations

New standards impacting the Group that have been adopted for the financial year ending 30 March 2025 are as follows:

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

Following an assessment, the Group have determined that these standards do not have a material impact upon the Group's Consolidated Financial Statements.

New standards, amendments and interpretations not yet adopted

There are several standards, amendments to standards and interpretations which have been issued by the IASB that are effective in future accounting periods that the Group has decided not to adopt early:

- Amendments to IAS 21 Lack of Exchangeability
- Amendments to IFRS 9 Classifications and Measurements of Financial Instruments
- Annual Improvements to IFRS Accounting Standards – Volume 11: IFRS 1, IFRS 7, IFRS 9, IFRS 10 & IAS 7

The Group do not expect these standards to have a material impact on its Consolidated Financial Statements in future reporting periods.

Notes to the Consolidated Financial Statements

For the 52 weeks to 30 March 2025

1. Revenue

Group revenue is not reliant on any single major customer or group of customers. Management considers revenue is derived from one business stream being the retail of kitchenware and related products and services.

Customers interact and shop with the Group across multiple touchpoints and their journey often involves more than one channel. The Chief Operating Decision-Maker is the Board of Directors of ProCook Group plc. The Board reviews internal management reports on a frequent basis, and in line with internal reporting, the channel reporting below indicates where customers complete their final purchase transaction.

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
United Kingdom	**69,493**	62,585
Total revenue	**69,493**	62,585

2. Operating expenses

Operating profit for the periods is stated after charging:

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Depreciation of tangible fixed assets	**1,234**	936
Amortisation of Intangible assets	**78**	131
Depreciation of right-of-use assets	**4,356**	3,945
Variable lease payments	**516**	637
Gain on disposal of leases	**–**	(2,301)
Loss on disposal of property, plant and equipment	**45**	457

Total R&D expenditure included in operating expenses for the 52 weeks ended 30 March 2025 was £nil (52 weeks ended 31 March 2024: £nil).

3. Non-underlying items

Consistent with prior years, expenses in respect of employee share-based awards, which relate to the IPO event in FY22, which itself is non-recurring, have been presented as non-underlying costs. These expenses have concluded in FY25 with the third anniversary of the IPO in November 2024 and the vesting of the schemes.

In FY24, the Group initiated a restructuring of the senior management team, which finalised within FY25. The one-off costs of £0.2m (FY24: £0.7m) have been treated as non-underlying given their material and one-off nature. The Directors consider that separate disclosure of this restructuring cost as non-underlying provides additional useful information to the users of the financial statements around the day-to-day trading performance of the Group.

In the prior year the Group transitioned to its new Store Support Centre, incurring transition and dual-running costs prior to the assignment of the two previous warehouse leases, disposal of related assets, and the reversal of £1.1m of impairment provisions.

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
SSC transition-related costs	**14**	1,213
Net profit on reassignment of leases	**–**	(1,867)
Senior management restructuring costs	**179**	718
Share-based payments	**151**	81
Non-underlying operating expenses	**344**	145
Non-underlying finance expense	**–**	132
Non-underlying loss before tax	**344**	277

4. Segmental reporting

The Chief Operating Decision Maker (CODM) is the Board of Directors and segmental reporting analysis is presented based on the Group's internal reporting to the Board. At 30 March 2025, the Group had two operating segments, being Ecommerce and Retail. Central costs are reported separately to the Board. While central costs are not considered to be an operating segment, it has been included below to aid reconciliation with operating profit as presented in the Consolidated Income Statement. The Board reviews segment performance based on underlying operating profit.

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Revenue		
Ecommerce	**25,476**	22,695
Retail	**44,017**	39,890
Total revenue	**69,493**	62,585
Operating profit		
Ecommerce	**6,676**	5,325
Retail	**8,824**	8,220
Central costs	**(12,293)**	(11,422)
Non-underlying operating costs	**(344)**	(145)
Operating profit	**2,863**	1,978
Finance costs	**(1,415)**	(1,230)
Other (losses)/gains	**(272)**	114
Non-underlying finance costs[1]	**–**	(132)
Profit before tax	**1,176**	730

1 Non-underlying finance costs are the interest costs on the lease liabilities for the disused warehouses which were disposed of in the prior year.

Operating profit includes depreciation and amortisation of £4,388k relating to the Retail segment (FY24: £3,350k) and £1,280k relating to the Central segment (FY24: £1,246k).

Substantially all of the assets of ProCook Group plc are located in the UK.

5. Auditor remuneration

The Group's total fees paid or payable to its auditor in respect of the audit of the Group's financial statements and for other services provided to the Group:

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Audit of Consolidated Financial Statements	**45**	48
Audit of the Parent Company and Group subsidiary entities	**275**	269
Total auditor remuneration	**320**	317

6. Other income

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Rental income	**47**	49
Total other income	**47**	49

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

7. Employee numbers and costs

The average monthly number of colleagues employed by the Group, including Directors, was:

	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Retail and distribution staff	**501**	513
Support staff	**114**	118
Total	**615**	631

The total remuneration of all employees, including Directors, includes:

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Wages and salaries	**16,205**	13,416
Social security contributions and similar taxes	**1,187**	1,049
Other pension costs	**301**	281
Total	**17,693**	14,746

Details of Directors' remuneration, including base pay, short- and long-term incentive schemes and pension entitlements are disclosed in the Directors' Remuneration Policy and Annual Report on Remuneration on pages 92 to 107.

8. Retirement benefit plan

The Group operates a defined contribution retirement benefit scheme for all qualifying employees. The scheme is administered and managed by a separate third-party specialist pension scheme provider. The total expense recognised in the Consolidated Income Statement for the 52 weeks ended 30 March 2025 was £301k (31 March 2024: £281k) and represents contributions payable to these plans by the Group at rates specified in the rules of the plans.

9. Finance expense

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Unwinding of discounted provisions	**21**	13
Interest on borrowings and other interest	**419**	367
Interest on lease liabilities	**975**	982
Total finance expense	**1,415**	1,362

10. Other gains and losses

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Unrealised FX (losses)/gains	**(219)**	411
Exchange rate (losses)	**(53)**	(297)
Total (losses)/gains	**(272)**	114

Unrealised FX (losses)/gains relate to fair value movements on derivatives.

11. Tax expense

The tax expense for the periods presented differ from the standard rate of UK corporate income tax applicable in the financial year. The differences are explained below:

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Current taxation		
Corporate income tax charge for the period	**–**	–
Adjustments in respect of previous years	**44**	(119)
	44	(119)
Deferred tax		
Origination and reversal of temporary differences	**483**	336
Impact of change in tax rate	**–**	–
Adjustments in respect of prior periods	**(353)**	(97)
Total tax expense	**174**	120

The tax charge reconciles with the standard rate of UK corporate income tax as follows:

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Profit on ordinary activities before tax	**1,176**	730
UK Corporate income tax at standard rate of 25% (2024: 25%)	**294**	183
Factors effecting the charge in the period:		
Tax effect of expenses that are not deductible for tax purposes	**131**	153
Adjustments in respect of prior years	**44**	(119)
Other permanent differences	**58**	(128)
Fixed asset differences	**–**	9
Adjustments in respect of prior periods (deferred tax)	**(353)**	(97)
Adjustments to brought forward values	**–**	(13)
Remeasurement of deferred tax	**–**	132
Total tax expense	**174**	120

The taxation expense for the period as a percentage of reported profit before tax (the effective tax rate) was 14.8% (2024: 16.4%).

The standard rate of UK corporate income tax was 25% for the 52 weeks ended 30 March 2025 (31 March 2024: 25%). Deferred tax balances reflect future corporation tax rates of 25%.

The deferred tax asset has arisen due to the timing of future vesting dates in respect of share-based payments and carried forward losses from the previous financial year, offset by accelerated capital allowances on items of property, plant and equipment. The amounts have been presented on a net basis to follow the way in which they will be recouped by the Group.

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

11. Tax expense continued

Movement in deferred tax:

£'000	Short-term timing differences	Accelerated capital allowances	Share-based payments	Carried forward losses	Total
Deferred tax asset/(liability) as at 2 April 2023	–	(1,080)	343	1,631	894
(Debit)/credit to profit and loss	112	(516)	(132)	297	(239)
Deferred tax asset/(liability) as at 31 March 2024	**112**	**(1,596)**	**211**	**1,928**	**655**
(Debit)/credit to profit and loss	(38)	(158)	(110)	177	(129)
Deferred tax asset/(liability) as at 30 March 2025	**74**	**(1,754)**	**101**	**2,105**	**526**

Carried forward tax losses arise from losses incurred in FY23. As set out in the Critical Accounting Estimates and Judgements section on page 126, the recognition of the deferred tax asset in relation to the carried forward losses is judged to be appropriate given the Group's projections of sufficient future taxable profits against which such deferred tax assets could be offset.

12. Dividends

No dividends were declared or paid in the 52 weeks to 30 March 2025 (31 March 2024: nil).

13. Earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to equity holders of the Group by the weighted average number of ordinary shares in issue.

Diluted earnings per share is calculated by dividing the profit for the period attributable to ordinary equity holders of the Parent by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares that would have been issued on the conversion of all dilutive potential ordinary shares into ordinary shares.

Non-underlying expenses relating to share based payments differ from the standard rate of tax due to movements in related deferred tax assets, the value of which is dependent on the Group's share price at the reporting date, and the statutory deduction received which depends on the share price on the exercise date. The resulting effective tax rate on these costs was 16.6%. Other non-underlying items were deductible at the standard rate of 25%, giving an overall effective tax rate on non-underlying items of 21.4%.

	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Weighted average number of shares	**108,956,624**	108,956,624
Impact of share options	**8,634,223**	7,072,398
Number of shares for diluted earnings per share	**117,590,847**	116,029,022

£'000	52 weeks ended 30 March 2025 Underlying[1]	52 weeks ended 30 March 2025 Reported	52 weeks ended 31 March 2024 Underlying[1]	52 weeks ended 31 March 2024 Reported
Profit for the period	**1,273**	**1,002**	842	610
Earnings per ordinary share – basic	**1.17p**	**0.92p**	0.77p	0.56p
Earnings per ordinary share – diluted	**1.08p**	**0.85p**	0.73p	0.53p

1 Underlying earnings per ordinary share is a non-IFRS measure.

14. Intangible assets

£'000	Software	Total
Cost		
At 2 April 2023	415	415
Additions	–	–
At 31 March 2024	**415**	**415**
Additions	–	–
30 March 2025	**415**	**415**
Accumulated amortisation		
At 2 April 2023	180	180
Charge for the period	131	131
At 31 March 2024	**311**	**311**
Charge for the period	78	78
30 March 2025	**389**	**389**
Net book value		
At 2 April 2023	235	235
At 31 March 2024	104	104
30 March 2025	**26**	**26**

Amortisation was recognised in the Consolidated Income Statement within operating expenses throughout the period.

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

15. Property, plant and equipment

£'000	Land and buildings	Plant and machinery	Fixtures and fittings	Motor vehicles	Assets under construction	Total
Cost						
At 2 April 2023	187	508	11,751	29	1,627	14,102
Additions	–	153	1,327	–	364	1,844
Transfers	–	–	1,532	–	(1,532)	–
Disposals	–	(296)	(615)	–	(35)	(946)
At 31 March 2024	187	365	13,995	29	424	15,000
Additions	–	7	3,277	–	544	3,828
Transfers	–	–	303	–	(303)	–
Disposals	–	–	(112)	–	(26)	(138)
30 March 2025	**187**	**372**	**17,463**	**29**	**639**	**18,690**
Accumulated depreciation and impairment						
At 2 April 2023	7	198	6,100	16	–	6,321
Impairment reallocation[1]	132	(10)	(121)	(1)	–	–
Charge for the period	–	29	903	4	–	936
Disposals	–	(130)	(359)	–	–	(489)
At 31 March 2024	**139**	**87**	**6,523**	**19**	**–**	**6,768**
Charge for the period	–	26	1,204	4	–	1,234
Disposals	–	–	(79)	–	–	(79)
30 March 2025	**139**	**113**	**7,648**	**23**	**–**	**7,923**
Net book value						
At 2 April 2023	180	310	5,651	13	1,627	7,781
At 31 March 2024	48	278	7,472	10	424	8,232
30 March 2025	**48**	**259**	**9,815**	**6**	**639**	**10,767**

1 A detailed review of 2023 impairment allocation to individual assets was performed during the prior period, resulting in a revised allocation of the charge across the different asset classes; as the overall effect of the reallocation is immaterial to the financial statements, retrospective application has not been required.

Assets under construction includes retail store equipment and fixtures acquired but not yet in use.

Impairment tests have been carried out where appropriate, with no impairment charges recognised in the 52 weeks ended 30 March 2025 (FY24: £nil).

Depreciation was recognised in the Consolidated Income Statement within operating expenses throughout the period.

16. Leased assets

The Group leases a number of assets, with all lease payments fixed over the lease term. Where there are leasehold properties that hold a variable element to lease payments made, these are not fixed and are not capitalised as part of the right-of-use asset. All expected future non-variable cash out flows are reflected within the measurement of the lease liabilities at each period end.

	As at 30 March 2025	As at 31 March 2024
Number of active leases	74	70

The Group's leases include leasehold properties for commercial and head office use, motor vehicles and plant equipment. The leases range in length from 2 to 15 years and vary in length depending on lease type. Leasehold properties hold the longest-term length of up to 15 years, plant and equipment of up to 5 years, and motor vehicles of up to 3 years.

16. Leased assets continued

Extension, termination, and break options

The Group occasionally negotiates extension, termination or break clauses in its leases. In determining the lease term, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not exercise a termination option. Extension options (or periods after termination options) are only included in the lease term if the lease is reasonably certain to be extended (or not terminated).

On a case-by-case basis, the Group will consider whether the absence of a break clause would expose the Group to excessive risk. Typically, factors considered in deciding to negotiate a break clause include:

- The length of the lease term;
- The economic stability of the environment in which the property is located; and
- Whether the location represents a new area of operations for the Group.

Incremental borrowing rate

Leases currently recognised are discounted with incremental borrowing rates in a range of 2% - 7%, being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security, and conditions. This rate is used to reflect the risk premium over the borrowing cost measured by reference to the Group's financing facilities.

Short-term or low-value lease expense

No short-term or low-value leases existed during the financial period.

Right-of-use assets included in the Consolidated Statement of Financial Position are as follows:

£'000	Leasehold property	Motor vehicles	Plant and equipment	Total
Cost				
At 2 April 2023	36,484	182	39	36,705
Additions	2,712	–	53	2,765
Remeasurement[1]	1,021	–	–	1,021
Disposals	(8,876)	(57)	–	(8,933)
At 31 March 2024	31,341	125	92	31,558
Additions	4,395	110	–	4,505
Remeasurement[1]	348	–	–	348
Disposals	(2,076)	(73)	–	(2,149)
At 30 March 2025	**34,008**	**162**	**92**	**34,262**
Accumulated depreciation and impairments				
At 2 April 2023	11,149	97	9	11,255
Charge for the period	3,874	54	17	3,945
Disposals	(4,107)	(57)	–	(4,164)
Impairment	–	–	–	–
At 31 March 2024	10,916	94	26	11,036
Charge for the period	4,280	57	19	4,356
Disposals	(2,028)	(60)	–	(2,088)
Impairment	–	–	–	–
At 30 March 2025	**13,168**	**91**	**45**	**13,304**
Net Book Value				
At 2 April 2023	25,335	85	30	25,450
At 31 March 2024	20,425	31	66	20,522
At 30 March 2025	**20,840**	**71**	**47**	**20,958**

1 Remeasurements have arisen where rentals have been subject to indexation or rent reviews, or where store lease rental terms and lease expiry dates have been renegotiated.

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

16. Leased assets continued

For impairment testing purposes, the Group has determined that each store is a separate CGU. Each CGU is tested for impairment at the balance sheet date if any indicators of impairment exist.

The value in use of each CGU is calculated based on the Group's latest budget and forecast cash flows, covering a three-year period, which have regard to historic performance and knowledge of the current market, together with the Group's views on the future achievable growth. Cash flows beyond this three-year period are extrapolated using a longer-term growth rates based on management's future expectations. These have been prepared utilising both historical experience as well as a forward-looking estimates with respect to trading conditions and performance, together with allocations of central overheads and an estimate of Ecommerce contribution attributable to customers first acquired in retail stores, reflecting the omnichannel nature of our business, based on historical sales data.

The key assumptions in the value in use calculations are the growth rates of sales and gross profit margins, changes in the operating cost base, long-term growth rates and the risk-adjusted pre-tax discount rate.

The pre-tax discount rates are derived from the Group's weighted average cost of capital, which has been calculated using the capital asset pricing model, the inputs of which include a country risk-free rate, equity risk premium, Group size premium and a risk adjustment (beta) along with the cost of debt. The resulting pre-tax discount rate used was 11.7% (FY24: 13.4%). Impairment tests have been carried out where indicators of impairment exist, with no impairment charges recognised in the 52 weeks ended 30 March 2025 (FY24: nil).

Lease liabilities included in the Consolidated Statement of Financial Position were as follows:

£'000	Leasehold property	Motor vehicles	Plant and equipment	Total
At 2 April 2023	29,161	76	29	29,266
Additions	2,665	–	53	2,718
Remeasurement[1]	1,126	–	–	1,126
Interest expense	978	1	3	982
Lease payments	(4,311)	(48)	(21)	(4,380)
Disposals[2]	(7,070)	–	–	(7,070)
At 31 March 2024	**22,549**	**29**	**64**	**22,642**
Additions	4,040	110	–	4,150
Remeasurement[1]	351	–	–	351
Interest expense	968	4	3	975
Lease payments	(4,665)	(65)	(20)	(4,750)
Disposals	(60)	(14)	–	(74)
At 30 March 2025	**23,183**	**64**	**47**	**23,294**

1 Remeasurements have arisen where rentals have been subject to indexation or rent reviews, or where store lease rental terms and lease expiry dates have been renegotiated.

2 Disposals in the prior year predominantly related to the assignment of leases relating to two distribution centres, which were surplus to requirements after the transition to the new Store Support Centre at the beginning of FY24.

The remaining contractual maturities of the lease liabilities, which are gross and undiscounted, and a reconciliation to their present value are as follows:

£'000	As at 30 March 2025	As at 31 March 2024
Within 1 year	**4,445**	4,177
After 1 year and less than 2 years	**4,518**	3,920
After 2 years and less than 5 years	**9,378**	8,008
After 5 years and less than 10 years	**6,372**	7,024
After 10 years	**2,863**	3,987
Total including interest cash flows	**27,576**	27,116
Less: interest cash flows	**(4,282)**	(4,474)
Total principal cash flows	**23,294**	22,642

16. Leased assets continued

Reconciliation of current and non-current lease liabilities:

£'000	As at 30 March 2025	As at 31 March 2024
Current	**3,708**	3,347
Non-current	**19,586**	19,295
Total	**23,294**	22,642

17. Inventories

£'000	As at 30 March 2025	As at 31 March 2024
Finished goods and goods for resale	**12,095**	9,716

The cost of Group inventories recognised as an expense in the period to 30 March 2025 amounted to £22.9m (31 March 2024: £21.5m). This is included in cost of sales.

Within inventory, the Group has recognised a provision relating to damaged stock of £129k as at 30 March 2025 (30 March 2024: £68k).

18. Trade and other receivables

£'000	As at 30 March 2025	As at 31 March 2024
Trade receivables	**–**	–
Other receivables	**627**	711
Derivative financial instruments	**–**	42
Prepayments	**1,853**	2,989
Total	**2,480**	3,742

All trade and other receivables are due within one year from the end of the reporting period. No impairment was incurred on trade and other receivables during the period and the expected credit loss provision held at period end is nil (31 March 2024: nil). No material amounts are overdue as at the reporting date (31 March 2024: nil). The Directors consider that the carrying value of trade and other receivables approximates to their fair value.

Included in other receivables at the period end is supplier deposits of £129k (31 March 2024: £373k).

19. Cash and cash equivalents

£'000	As at 30 March 2025	As at 31 March 2024
Cash at bank available on demand	**1,788**	854
Cash in transit	**974**	1,151
Total	**2,762**	2,005

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

20. Trade and other payables

£'000	As at 30 March 2025	As at 31 March 2024
Amounts falling due within one year:		
Trade payables	**2,086**	2,889
Other payables	**2,581**	1,003
Accruals	**5,086**	4,132
Deferred income	**78**	122
Deferred income relating to gift card sales	**157**	45
Derivative financial instruments	**177**	–
Other taxation and social security	**3,767**	2,240
	13,932	10,431
Amounts falling due after one year:		
Accruals	**77**	48
Total	**14,009**	10,479

Revenue of £29k was recognised in the year relating to bought forward gift card liabilities (31 March 2024: £Nil).

The Directors consider that the carrying value of trade and other payables approximates to their fair value. Trade payables are non-interest bearing and are typically settled monthly.

21. Provisions

£'000	As at 30 March 2025	As at 31 March 2024
Amounts falling due within one year:		
Warranties	**163**	147
Dilapidations	**110**	106
	273	253
Amounts falling due after one year:		
Warranties	**37**	77
Dilapidations	**602**	488
	639	565
Total	**912**	818

Provisions for warranties are largely short term in nature given the Group's experience of the timing of such claims being largely made within the first year of purchase. The estimated costs to service these claims have minimal uncertainty as they are based on the cost of the Group's products.

Provisions for dilapidations are based on the Group's past experience of existing leasehold property sites. It is estimated that all dilapidations costs will occur at the end of the term of the lease.

£'000	Dilapidations	Warranties	Total
At 31 March 2024	594	224	818
Additions during the year	106	153	259
Remeasurement	13	–	13
Unwinding of discount rate	21	–	21
Utilised during the year	(22)	(177)	(199)
At 30 March 2025	**712**	**200**	**912**

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22. Borrowings

£'000	As at 30 March 2025	As at 31 March 2024
Current		
Bank loans	**1,805**	2,754
Total borrowings	**1,805**	2,754

As at 30 March 2025, the Group has access to an uncommitted trade finance facility, which expires on 28 February 2026, although is expected to be renewed at that date, with a maximum limit of £6.0m. There is a performance KPI (inventory to payables ratio), which is monitored on a quarterly basis; however, there are no covenants or guarantees or other collateral associated with this facility. The following amounts had been drawn down and were outstanding at 30 March 2025: £1.8m (31 March 2024: £2.8m).

The Group has access to a committed £10m Revolving Credit Facility (RCF) to provide additional cash headroom to support operational and investment activities. Additionally, the RCF agreement provides an accordion option, subject to the lender's approval, to extend the facility by a further £5m. No amounts were drawn on this facility at the year end date (31 March 2024: nil).

Shortly before the year-end, on the 28 March 2025, the Group successfully arranged a one-year extension to the RCF, which extends the expiry date out from 20 April 2026 to 20 April 2027. Additionally, the terms in respect of leverage cover have been amended for Q3 test dates for FY26 and FY27 with net debt to be no greater than 3.0x EBITDA. It remains at 2.0x for all other test dates. The fixed charge covenant test remains unchanged, requiring EBITDAR to be no less than 1.4x fixed charges. Both covenants are tested quarterly and are calculated on a last 12-month rolling, pre-IFRS 16 basis. The Group had a debenture in place during the year, which related to a fixed charge over all present freehold and leasehold property provided as security to the Group's Revolving Credit Facility, which will remain in place throughout the term of the facility agreement.

Supplier finance arrangements

The Group utilises a trade finance facility with HSBC. Under the terms and conditions of the arrangement, invoices are settled by HSBC on their due date with the Group retaining liability for their payment. This facility provides the Group with up to 180 days from invoice issuance to settle the amounts due.

The amounts held in the facility at the year-end are as follows:

Carrying amount of financial liabilities £'000	As at 30 March 2025	As at 31 March 2024
Presented in borrowings	**1,805**	2,754
– Of which suppliers have received payment from finance provider	**1,805**	2,754
Range of payment due dates		
Liabilities that are part of the arrangements	**45 – 60 days after invoice date**	45 – 60 days after invoice date
Comparable trade payables that are not part of the arrangements	**45 – 60 days after invoice date**	45 – 60 days after invoice date

23. Derivatives

The Group's local currency is pounds sterling, but, due to purchases of goods and services in foreign currencies, the Group seeks to reduce foreign exchange risk by entering into forward contracts and other derivatives. At 30 March 2025, the outstanding contracts all mature within 24 months of the period end, with committed purchases of $34.6m (31 March 2024: $20.8m).

The fair value of the Group's foreign currency and interest rate derivative financial instruments, categorised as Level 2 on the fair value hierarchy, are largely determined by comparison between forward market prices and the contract price. The fair value movement of the foreign currency contracts are detailed in note 10 above.

There were no designated hedges in place during the current or proceeding financial year.

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

24. Changes in liabilities arising from financing activities

£'000	At 31 March 2024	Repayments	Interest	New borrowings	Other gains and losses	At 30 March 2025
Short-term borrowings	2,754	(23,855)	419	22,521	(34)	**1,805**
Lease liabilities	22,642	(4,750)	975	4,150	277	**23,294**
Total liabilities from financing activities	**25,396**	**(28,605)**	**1,394**	**26,671**	**243**	**25,099**

25. Financial risk management

Financial risk management

The Group is exposed through its operation to the following financial risks: credit risk, interest rate risk, foreign exchange risk and liquidity risk. Risk management is carried out by the Directors of the Group. The Group uses financial instruments to provide flexibility regarding its working capital requirements and to enable it to manage specific financial risks to which it is exposed.

The Group finances its operations through a mixture of debt finance, cash and liquid resources and various items such as trade debtors and trade payables, which arise directly from the Business's operations.

For further information on the Group's Capital allocation and dividend policy, please see page 51.

Credit risk

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations. To minimise the risk, the Group endeavours only to deal with companies that are demonstrably creditworthy and this, together with the aggregate financial exposure, is continuously monitored. The maximum exposure to credit risk is the carrying value of its financial receivables, trade and other receivables and cash and cash equivalents, as disclosed in the notes to the financial information.

The receivables' age analysis is evaluated on a regular basis for potential doubtful debts, considering historic, current and forward-looking information. No impairments to trade receivables have been made to date. Further disclosures regarding trade and other receivables are provided within the notes to the financial statements.

Credit risk also arises on cash and cash equivalents and deposits with banks and financial institutions. For banks and financial institutions, only independently rated parties with minimum rating "B+" are accepted.

Currently, all financial institutions whereby the Group holds significant levels of cash are rated from A- to A+.

Interest rate risk

As at 30 March 2025, the Group's only drawn borrowings are through its trade finance facility with a floating interest rate linked to the United States Federal funds rate. This is variable on the amount drawn down and there is no fixed settlement date; therefore, the interest rate risk exposure for the Group is minimal. The Group also has a £10m RCF with a floating interest rate linked to the Bank of England base rate. The Group's policy aims to manage the interest cost of the Group within the constraints of its financial borrowings. The Group does not currently use any form of derivatives to manage interest rate volatility or future rate increases; however, it does seek to minimise interest costs through careful management of its use of facilities.

During the period, if interest rates had been 100 basis points higher with all other variables held constant, pre-tax profit would have been £50k lower (FY24: £48k lower).

Foreign exchange risk

Foreign exchange risk arises when the Group enters transactions in a currency other than their functional currency. The Group's policy is, where possible, to settle liabilities denominated in a currency other than its functional currency with cash already denominated in that currency.

The Group makes purchases of goods and services from overseas in foreign currencies and uses additional means to cover its exposure to the foreign exchange movement. The Group uses various financial derivatives, such as forward exchange contracts, to help mitigate movements in foreign currency to restrict losses and to ascertain control of expected cash outflows. All the Group's foreign exchange contracts are designated to settle the corresponding liability.

Liquidity risk

The Group seeks to maintain sufficient cash balances to support its working capital and investment requirements. Management reviews cash flow forecasts on a regular basis to determine whether the Group has sufficient available cash to meet and support its operational and investment activities.

25. Financial risk management continued

Financial assets

Financial assets measured at amortised cost, which approximates to fair value, comprise trade receivables, other receivables and cash.

£'000	As at 30 March 2025	As at 31 March 2024
Trade receivables	**–**	–
Other receivables	**627**	711
Cash at bank and on hand	**1,788**	854
Total	**2,415**	1,565

Financial assets measured at fair value include derivative financial assets:

£'000	As at 30 March 2025	As at 31 March 2024
Derivatives	**–**	42
Total	**–**	42

Financial liabilities

Financial liabilities measured at amortised cost comprise trade and other payables, accruals, borrowings and lease liabilities:

£'000	As at 30 March 2025	As at 31 March 2024
Trade payables	**2,086**	2,889
Other payables	**2,581**	1,003
Accruals	**5,086**	4,132
Borrowings	**1,805**	2,754
Lease liabilities	**23,294**	22,642
Total	**34,852**	33,420

Financial liabilities measured at fair value include derivative financial liabilities, as follows:

	As at 30 March 2025	As at 31 March 2024
Derivatives	**177**	–
Total	**177**	–

In the 52 weeks ended 30 March 2025, derivatives liabilities are included within the balance sheet under trade and other payables and are recognised under level 2 of the fair value hierarchy.

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

25. Financial risk management continued

A maturity analysis of the Group's financial liabilities is shown below. With the exception of lease liabilities (whose payment schedule spans the term of the respective lease agreements, please see Note 16 for further details) and national insurance contributions on share- based payments, the Groups' other liabilities as at 30 March 2025 are all due within less than one year:

£'000	As at 30 March 2025	As at 31 March 2024
Due within one year:		
Trade payables	**2,086**	2,889
Other payables	**2,581**	1,003
Accruals	**5,086**	4,084
Borrowings	**1,805**	2,754
Lease liabilities	**3,708**	3,347
Total	**15,266**	14,077

	As at 30 March 2025	As at 31 March 2024
Due within one year:		
Derivatives	**177**	–
Total	**177**	–

£'000	As at 30 March 2025	As at 31 March 2024
Due after one year:		
Accruals	**77**	48
Lease liabilities	**19,586**	19,295
Total	**19,663**	19,343

Further maturity of the Group's lease liabilities is set out in note 16. All other liabilities that are due after one year are due to be settled within five years.

The currency profile of the Group's cash and cash equivalents is as follows:

£'000	As at 30 March 2025	As at 31 March 2024
Sterling	**2,620**	1,601
US dollar	**73**	383
Euro	**69**	21
Total	**2,762**	2,005

25. Financial risk management continued

Foreign denominated asset and liability balances held at the year-end are as follows:

£'000	As at 30 March 2025	As at 31 March 2024
Current assets		
Cash and cash equivalents	**142**	404
Current liabilities		
Trade and other payables	**584**	1,279
Borrowings	**1,805**	2,754
Total	**2,389**	4,437

Substantially all of the trade and other payables positions and borrowings positions shown above are denominated in US dollars.

Further information relating to the Group's hedging of these assets and liabilities is set out in note 23. A $0.01 change in the sterling to USD exchange rate would result in a £19k increase/decrease (FY24: £40k) in the Consolidated Income Statement.

Capital disclosures

The capital structure of the business consists of cash and cash equivalents, debt and equity. Equity comprises share capital and retained profit and is equal to the amount shown as 'Equity' in the balance sheet. As at 30 March 2025, debt comprised solely of the borrowings on the Group's trade finance facility, which is set out in further detail above and in the notes to the accounts.

The Group's objectives when maintaining capital are to:

- Safeguard the Group's ability as a going concern so that it can continue to pursue its growth plans;
- Provide a reasonable expectation of future returns to shareholders; and
- Maintain adequate financial flexibility to preserve its ability to meet financial obligations, both current and long term.

The Group sets the amount of capital it requires in proportion to risk. The Group manages its capital structure and adjusts it in the light of changes in economic conditions and the risk characteristics of underlying assets. In order to maintain or adjust the capital structure, the Group may issue new shares or sell assets to reduce debt.

During the periods presented the Group's business strategy remained unchanged.

During the periods presented the Group maintained compliance with all relevant facility covenants.

26. Share capital and reserves

£	As at 30 March 2025	As at 31 March 2024
Allotted, called up and fully paid		
108,956,624 ordinary shares of 1p each	**1,089,566**	1,089,566
Total	**1,089,566**	1,089,566

Only one class of shares have been issued that have full voting, dividend and capital distribution rights.

Reserves

The following describes the nature and purpose of each reserve within equity:

Share premium account: Proceeds received in excess of the nominal value of shares issued, net of any transaction costs

Share option reserve: Used to recognise the value of equity-settled share-based payments expenses. See note 27 for further details on share-based payment plans.

Retained earnings: All other accumulated net gains and losses and transactions with shareholders not recognised elsewhere.

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

27. Share-based payments

The Group operates several equity-settled share based compensation plans for employees. The vesting date for each scheme is the last day of the contractual life of the scheme. The terms and conditions of the grants are detailed below:

IPO Awards

Upon listing, a number of equity-settled schemes were set up, with options awarded to both the Leadership Team and eligible employees with employment pre-dating March 2021. There are no performance conditions attached to these schemes, except that the employee is required to be in employment with ProCook Group plc on the vest date, with the exception of the Leadership IPO award, that does not include this condition.

IPO Awards	As at 30 March 2025	WAEP (£)	As at 31 March 2024	WAEP (£)
Outstanding at beginning of period	**4,446,618**	**0.39**	6,931,594	0.23
Granted during the period	**–**	**–**	–	–
Forfeited/lapsed during the period	**(53,177)**	**0.15**	(365,773)	0.29
Exercised during the period	**(2,649,113)**	**0.14**	(2,119,203)	–
Outstanding at period end	**1,744,328**	**0.79**	4,446,618	0.39
Available to exercise at end of period	**1,744,328**	**0.79**	1,054,673	–

Available to exercise at end of period refers to all options not exercised which have passed their vesting date but have not reached any expiry date, if applicable.

Options outstanding at 30 March 2025 are exercisable at prices ranging from nil to £1.45 (31 March 2024: nil to £1.45) and all options are exercisable as at 30 March 2025 (weighted average remaining vest period for the IPO Awards as at 31 March 2024: 7 months):

IPO Awards Exercise Price (pence):	As at 30 March 2025	Weighted Average Remaining Months	As at 31 March 2024	Weighted Average Remaining Months
nil	**1,054,673**	**–**	1,227,086	7
145.0	**689,655**	**–**	689,655	7
44.0	**–**	**–**	843,350	7
29.0	**–**	**–**	843,350	7
14.5	**–**	**–**	843,177	7
	1,744,328	**–**	4,446,618	7

Long-Term Incentive Plans (LTIPs)

The Group operates an equity-settled LTIP for Executive Directors and the Senior Leadership Team, with performance conditions which are set out in the Remuneration Report. Performance conditions for the Senior Leadership Team are consistent with those disclosed for Executive Directors. The movements in nil-cost LTIP awards during the year were as follows:

LTIPs	As at 30 March 2025	As at 31 March 2024
Outstanding at beginning of period	**4,995,625**	3,325,374
Granted during the period	**3,902,699**	4,292,960
Forfeited/lapsed during the period	**(1,135,697)**	(2,622,709)
Exercised during the period	**–**	–
Outstanding at period end	**7,762,627**	4,995,625
Available to exercise at end of period	**–**	–

The weighted average remaining contractual life of these options as at 30 March 2025 is 1.6 years (31 March 2024: 2.2 years).

27. Share-based payments continued

Save As You Earn Scheme

All colleagues are invited to participate in Save As You Earn Schemes each year up to a monthly maximum savings amount of £500 per month, with options granted at the Company share price at the date of award less a discount of 20%. The Save As You Earn schemes are HMRC 'approved' schemes and are administered by a specialist third-party provider. All schemes carry a contractual vest period of 3 years from the scheme inception date, with a six-month exercise period after the completion of each scheme.

SAYE	As at 30 March 2025	WAEP (£)	As at 31 March 2024	WAEP (£)
Outstanding at beginning of period	**1,313,394**	**0.21**	1,395,228	0.31
Granted during the period	**303,256**	**0.31**	405,633	0.26
Forfeited/lapsed during the period	**(432,222)**	**0.35**	(487,467)	0.31
Exercised during the period	**–**	**–**	–	–
Outstanding at period end	**1,184,428**	**0.28**	1,313,394	0.21
Available to exercise at end of period	**–**	**–**	–	–

Available to exercise at end of period refers to all options not exercised that have passed their vesting date but have not reached any expiry date, if applicable.

Options outstanding at 30 March 2025 are exercisable at prices ranging from £0.26 to £0.31 (31 March 2024: £0.26 to £1.12) and the weighted average remaining vest period for the SAYE Awards is 20 months as at 30 March 2025 (31 March 2024: 25 months):

SAYE Exercise Price (pence):	As at 30 March 2025	Weighted Average Remaining Months	As at 31 March 2024	Weighted Average Remaining Months
44.0	**–**	**–**	41,120	10
27.0	**564,649**	**10**	866,641	22
26.0	**316,523**	**22**	405,633	34
31.0	**303,256**	**34**	–	–
	1,184,428	**20**	1,313,394	25

Notes to the Consolidated Financial Statements continued

For the 52 weeks to 30 March 2025

27. Share-based payments continued

Fair Value calculations

The fair value of all share options granted are calculated at the date of grant using a Black-Scholes option pricing model. Given the Group's admission to the London Stock Exchange in November 2021, at the date of issue, volatility remains relatively unknown and cannot be measured historically for the typical three year vest period attached to awards made in the year. A reasonable volatility expectation has therefore been applied by the Group, based on a review of similar businesses' historical share price volatility and the Group's share price history.

Detail of inputs to Fair Value calculations for options granted in the year are shown below:

LTIPs	2025	2024
Share price at date of grant	**26 pence**	25 pence
Exercise Price	**0 pence**	0 pence
Volatility	**53.1%**	49.3%
Expected life	**3 years**	3 years
Risk Free rate	**4.04%**	4.81%
Dividend yield	**0.00%**	0.88%
Fair value per option	**26 pence**	24 pence

SAYE	2025	2024
Share price at date of grant	**29 pence**	32 pence
Exercise Price	**31 pence**	26 pence
Volatility	**54.2%**	50.7%
Expected life	**3 years**	3 years
Risk Free rate	**4.02%**	4.15%
Dividend yield	**0.00%**	0.00%
Fair value per option	**11 pence**	14 pence

A corresponding charge to the Consolidated Income Statement of £0.5m (FY24: £0.5m) has been made in respect of these share options in the period. In total, including movements of National Insurance accruals, £0.2m has been recognised as a non-underlying cost and £0.2m as an underlying cost during the year ending 30 March 2025 (31 March 2024: £0.1m was recognised as a non-underlying cost and £0.1m as an underlying cost).

Exercises of IPO awards which vested in the year, which at the point of exercise were included in the share option reserve at a value of £2.4m, were satisfied by transfers of shares from the Employee Benefit Trust. Including withholding taxes paid on the employees' behalf, total cash outflows relating to these exercises were £0.2m. Excess balances in the share option reserve totalling £2.2m, where the market price on exercise was lower than the accrued fair value of the related options, have been transferred within equity to retained earnings. The Weighted Average Share Price at the dates of these exercises was 36.1p.

28. Contingent liabilities

The Company had no contingent liabilities at the period-end date (31 March 2024: none).

29. Related parties

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note.

Transactions with Quella Bicycle Limited, a related party by virtue of one of the Group's Directors (Daniel O'Neill) holding a financial interest, relate to logistics costs incurred on Quella's behalf. During the year, Quella Bicycle Limited were charged nil (FY24: £1k). Payments from Quella totalled nil during the year (FY24: £1k). The amount receivable at 30 March 2025 was nil (31 March 2024: nil).

Transactions with Life's a Beach, a related party by virtue of one of the Group's Directors (Daniel O'Neill) being a trustee of the charity, relate to charitable donations made on ProCook sales and other associated transactions. During the year, ProCook sales generated £44k of donations payable to Life's a Beach (FY24: £40k). During the year, ProCook made payments of £82k to Life's a Beach (FY24: nil). The amount payable at 30 March 2025 was £9k (31 March 2024: £47k).

Transactions with Conway House Limited, a related party by virtue of one of the Group's Directors (Daniel O'Neill) being a Director of the company, relate to the provision of advisory services to the Group. During the year, Conway House Limited provided services totalling £44k (FY24: £45k). Payments to Conway House totalled £62k during the year (FY24: £38k). The amount payable at 30 March 2025 was nil (31 March 2024: £7k).

Key management personnel

The key management personnel of the Group comprise members of the Board.

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Wages and salaries	**1,571**	995
Post-employment benefits	**11**	14
Share-based payments (including NI)	**262**	300
Total	**1,844**	1,309

Details of the remuneration of the Board can be found on pages 90 to 100.

Parent Company Statement of Financial Position

As at 30 March 2025

£'000s	Note	As at 30 March 2025	As at 31 March 2024
Assets			
Non-current assets			
Investment in subsidiary	4	**69,091**	69,091
Deferred tax asset	5	**934**	1,044
Total non-current assets		**70,025**	**70,135**
Current assets			
Other receivables	6	**57**	127
Total current assets		**57**	**127**
Total assets		**70,082**	**70,262**
Liabilities			
Current liabilities			
Trade and other payables	7	**7,131**	5,360
Corporation tax payable		**–**	–
Total current liabilities		**7,131**	**5,360**
Non-current liabilities			
Trade and other payables	7	**70**	48
Total non-current liabilities		**70**	**48**
Total liabilities		**7,201**	**5,408**
Net assets		**62,881**	**64,854**
Equity and reserves attributable to shareholders of ProCook Group plc			
Share capital	8	**1,090**	1,090
Share option reserve	9	**2,241**	4,099
Share premium	8	**1**	1
Retained earnings	8	**59,549**	59,664
Total equity and reserves		**62,881**	**64,854**

The Company made a loss after tax of £2.2m in the 52 week period to 30 March 2025 (31 March 2024: £1.2m loss).

The financial statements for ProCook Group Plc (Company Registration No. 13679248 (England and Wales)) on pages 154 to 161 were approved by the Board of Directors on 24 June 2025 and signed on its behalf by:

Dan Walden
Chief Financial Officer

24 June 2025

Parent Company Statement of Changes in Equity

As at 30 March 2025

£'000	Note	Share capital	Share premium	Share option reserve	Retained earnings	Total equity
As at 2 April 2023		**1,090**	**1**	**6,891**	**57,905**	**65,887**
Total comprehensive loss for the period		–	–	–	(1,187)	(1,187)
Employee share-based payment awards		–	–	514	–	514
Exercise of options		–	–	(3,306)	2,946	(360)
As at 31 March 2024		**1,090**	**1**	**4,099**	**59,664**	**64,854**
Total comprehensive loss for the period		–	–	–	(2,246)	(2,246)
Employee share-based payment awards		–	–	495	–	495
Exercise of options		–	–	(2,353)	2,131	(222)
As at 30 March 2025		**1,090**	**1**	**2,241**	**59,549**	**62,881**

Parent Company Financial Statements Accounting Policies

For the 52 weeks to 30 March 2025

General Information

ProCook Group plc ("the Company") is a public limited company incorporated and domiciled in England and Wales under the Companies Act 2006 (Registration number: 13679248). The registered office is ProCook, 10 Indurent Park, Gloucester, GL10 3EZ. The Company financial statements on pages 154 to 161 present financial information about the Company as a separate legal entity, and not about the Group as a whole.

The principal activity of the Company is that of a holding company. The principal activities of its subsidiaries are set out in Note 4 to the financial statements.

Basis of preparation

The financial statements have been prepared in accordance with the requirements of the Companies Act 2006 and FRS 102 "The financial reporting standard applicable in the UK and Republic of Ireland" ("FRS 102"). In accordance with the exemption allowed by Section 408(3) of the Companies Act 2006, the Company has not presented its own income statement or statement of comprehensive income. The financial statements are presented in pounds sterling, generally rounded to the nearest thousand. They are prepared on the historical cost basis, unless otherwise stated.

The Directors have, at the time of approving the financial statements, a reasonable expectation that the Company has adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The principal accounting policies adopted in the preparation of the financial information are set out below. These policies have been consistently applied to all periods presented, unless otherwise stated.

The Group has taken the following permissible disclosure exemptions under FRS 102:

- Exemption from presenting a Statement of Cash Flow and related notes
- Partial exemption from share-based payment disclosures
- Exemption from disclosing related party transactions entered into between wholly owned subsidiaries

Going concern

In their consideration of going concern of ProCook Group plc, the Board has undertaken a comprehensive review and assessment of going concern including the Group's financial projections, debt servicing requirements, available facility headroom and liquidity, and its principal risks and uncertainties. In the base case scenario, and in the other downside scenarios, which the Directors have reviewed, including a severe but plausible downside, the Group remains within its available facility headroom, and no facility covenants would be breached. The Directors, therefore, have a reasonable expectation that the Group has adequate resources to continue in operational existence and meet its liabilities as they fall due over the period of at least 12 months from the date of approving these financial statements. Accordingly, the financial statements have been prepared under the going concern basis of accounting.

Further information regarding the Directors' approach to assessing going concern is set out on pages 124 to 125 of the consolidated financial statements.

Critical accounting estimates and judgements

The Company makes certain estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. In the future, actual experience may differ from these estimates and assumptions. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are discussed below.

Judgement – Deferred tax asset

The Company has recognised a deferred tax asset of £0.9m in the Statement of Financial Position as at 30 March 2025 (31 March 2024: £1.0m). In recognising the asset, the Company has applied judgement in its consideration of recoverability. The recognition of the deferred tax asset in relation to carried forward losses is judged to be appropriate (as prescribed in IAS 12.24) given there being projections of sufficient future taxable profits in the Group against which such deferred tax assets could be offset, with the Company receiving payment for the losses surrendered by way of group relief from the claimant subsidiary.

Critical accounting estimates and judgements continued

Judgement – Indicators of impairment (investment in subsidiaries)

In the year ended 2 April 2023, the Group completed an impairment assessment in respect of investment in subsidiaries following a decline in the Group's share price, and lower profitability than in previous financial years. This assessment resulted in an impairment charge of £48.2m, reducing the carrying value of the investment as at that date to £69.1m.

As at 30 March 2025, management has considered whether there are indicators of impairment for the investment in subsidiaries that reflect the trading entities of the Group. While the brought forward carrying value of the investment in subsidiaries remains greater than the Group's market capitalisation at 30 March 2025, the market capitalisation has not deteriorated significantly year on year, and in light of the Group's improved financial performance year on year, the Directors have determined that there are no current indicators of impairment, nor are there indicators of permanent reversal of prior impairment, and, as a result, no impairment assessment has been undertaken.

Further detail on investment in subsidiaries can be found in note 4.

Expenses

Share-based payments

The Company operates a number of share-based compensation plans, that are all equity settled, in exchange for services received from employees. The fair value of these compensation plans is calculated at the grant date using the Black-Scholes model. The resulting cost is expensed to the Income Statement over the vesting period. The value of the expense is adjusted to reflect expected and actual levels of vesting, considering any performance conditions which may apply to individual plans.

Social security contributions payable in connection with the grant of the share options are considered an integral part of the grant itself and the expense will be treated as a cash-settled transaction.

Employee benefits

The costs of short-term employee benefits are recognised as an expense in the Income Statement as incurred. The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Company is demonstrably committed to terminate the employment of an employee or to provide termination benefits.

Pensions

The Company operates a defined contribution pension scheme using an external pensions partner. Contributions to the scheme are expensed to the Income Statement in the period to which the contributions relate. The assets of the scheme are held separately from those of the Company.

Current and deferred taxation

Taxation, comprising current and deferred taxation, is recognised in the Income Statement, except where a charge attributable to an item of income or expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income or directly in equity, respectively.

Current tax on profits or losses for the period, is calculated based on tax rates and laws that have been enacted or substantively enacted by the reporting date in the UK where the Company operates and generates taxable income.

Deferred tax balances in the Statement of Financial Position are recognised in respect of all timing differences that have originated but not reversed by the balance sheet date, except where:

- The recognition of deferred tax assets is limited to the extent that it is probable that they will be recovered against the reversal of deferred tax liabilities or other future taxable profits; and
- Any deferred tax balances are reversed if and when all conditions for retaining associated tax allowances have been met.

Deferred tax balances are not recognised in respect of permanent differences except in respect of business combinations, when deferred tax is recognised on the differences between the fair values of assets acquired and the future tax deductions available for them, and the differences between the fair values of liabilities acquired and the amount that will be assessed for tax. Deferred income tax is determined using tax rates and laws that have been enacted, or substantively enacted, by the reporting date.

Where applicable the Company makes claims for Research and Development (R&D) tax reliefs in accordance with the Research and Development Expenditure Credit (RDEC) scheme. Qualifying projects are assessed to ensure the claims made fit the criteria and definitions set out by the UK HM Revenue and Customs. R&D tax relief claims are recognised in the tax expense line of the Income Statement.

Parent Company Financial Statements Accounting Policies continued

For the 52 weeks to 30 March 2025

Current and deferred taxation continued

Dividends

Ordinary dividends proposed by the Board of Directors are only recognised in the financial statements when they have been approved by the shareholders, and the Company is obliged to make payment.

Investment in subsidiaries

Investment in subsidiaries are recognised at cost less accumulated impairments. Each reporting period, it is determined whether indicators of potential impairment (or reversal of previous impairment) exist. If any indicators are identified, an impairment assessment is undertaken to ensure the valuation remains appropriate. All impairment losses will reduce the carrying value of the investment and be charged to the Income Statement during the year in which the impairment is recognised.

Other receivables

Other receivables are initially measured at the transaction price less transaction costs and are subsequently carried at amortised cost using the effective interest method.

Trade and other payables

Trade and other payables are initially recognised at the transaction price and are subsequently carried at amortised cost. They are recognised as current liabilities if payment is due within 12 months. Otherwise, they are recognised as non-current.

Share capital

Changes in the share capital structure are recognised within equity on the Statement of Financial Position, within any excess over the nominal share price being recognised within the share premium reserve. Where the Company purchases its own equity share capital (treasury shares), the consideration paid, including any directly attributable incremental costs, is deducted from the equity attributable to the Company's equity holders until the shares are cancelled or reissued. Where such shares are subsequently sold or reissued, any consideration received net of any directly attributable incremental transaction costs and the related income tax effects, is included in equity attributable to the Company's equity holders.

Notes to the Parent Company Financial Statements

For the 52 weeks to 30 March 2025

1. Employee numbers and costs

The Company's employees are the Chairman, three Non-Executive Directors and two Executive Directors (the Group Board). Full details of the Directors' remuneration and interests are set out in the Remuneration Report on pages 101 to 107. Share-based payments details are set out in note 9.

The Company operates a defined contribution retirement benefit scheme for all qualifying employees. The scheme is administered and managed by a separate third-party specialist pension scheme provider. The total expense recognised in the Income Statement for the 52 weeks ended 30 March 2025 was £11k (31 March 2024: £14k) representing contributions payable to these plans by the Company at rates specified in the rules of the plans.

2. Auditor remuneration

£'000	52 weeks ended 30 March 2025	52 weeks ended 31 March 2024
Fee payable for the audit of the Company's financial statements	**75**	74
Total auditor remuneration	**75**	74

3. Dividends

No dividends were declared or paid in the 52 weeks to 30 March 2025.

4. Investment in subsidiaries

ProCook Group plc owns 100% of the shares in ProCook Limited. Management determined the valuation of ProCook Limited at the acquisition date and have assessed that no impairment assessment was required at the reporting date. Further details around the valuation of the investment and management's assessment of potential indicators of impairment are set out in the above "critical accounting estimates and judgements". In the year ended 30 March 2025, no impairment charge (or reversal of the previous impairment) was deemed necessary (31 March 2024: no impairment charge).

ProCook Group plc substantially owns directly or indirectly the whole of the issued and fully paid ordinary share capital of its subsidiary undertakings. The subsidiary undertakings of ProCook Group plc are presented below:

Subsidiary undertaking	% of ordinary shares held	Principal activity
ProCook Limited	100%	Retail of kitchenware
ProCook (Kitchens) Limited	100%[1]	Property holding company
ProCook (Steamer Trading) Limited	100%[1]	Property holding company

1 Share capital held by ProCook Limited

For the year ended 30 March 2025, ProCook (Kitchens) Limited (company number 11816559) and ProCook (Steamer Trading) Limited (company number 11749708) have taken advantage of s479A-479C of the Companies Act 2006 (Act), which allows companies to claim exemption from audit. The ultimate Parent Company, ProCook Group plc guarantees all outstanding liabilities to which the subsidiary companies are subject at the end of the financial year to which the guarantee relates, until they are satisfied in full.

ProCook Group plc, the Company, and its subsidiaries are incorporated and domiciled in the UK. The registered office is ProCook, 10 Indurent Park, Gloucester, GL10 3EZ.

Notes to the Parent Company Financial Statements continued

For the 52 weeks to 30 March 2025

5. Deferred tax

The deferred tax asset has arisen due to the timing of future vesting dates in respect of share-based payments and carried forward losses from the previous financial year. The amounts have been presented on a net basis to follow the way in which they will be recouped by the Group. Movements as follows:

£'000	Carried forward losses	Share-based payments	Total
Deferred tax asset as at 2 April 2023	363	343	706
(Debit)/credit to profit and loss	470	(132)	338
Deferred tax asset as at 31 March 2024	**833**	**211**	**1,044**
(Debit)/credit to profit and loss	–	(110)	(110)
Deferred tax asset as at 30 March 2025	**833**	**101**	**934**

6. Other receivables

£'000	As at 30 March 2025	As at 31 March 2024
Other receivables	**43**	115
Prepayments	**14**	12
Total	**57**	127

All receivables are due within one year from the end of the reporting period. No impairment was incurred on trade receivables during the period. No material amounts are overdue.

7. Trade and other payables

£'000	As at 30 March 2025	As at 31 March 2024
Amounts falling due within one year:		
Trade payables	**106**	–
Accruals	**62**	998
Amounts owed to Group undertakings	**6,963**	4,612
Total	**7,131**	5,610

£'000	As at 30 March 2025	As at 31 March 2024
Amounts falling due after one year:		
Accruals	**70**	48
Total	**70**	48

The Directors consider that the carrying value of trade and other payables approximates to their fair value. Trade payables are non-interest bearing and are normally settled monthly. Amounts owed to group undertakings are non-interest bearing and repayable on demand.

8. Share capital and reserves

£	As at 30 March 2025	As at 31 March 2024
Allotted, called up and fully paid		
108,956,624 ordinary shares of 1p each	**1,089,566**	1,089,566
Total	**1,089,566**	1,089,566

Only one class of shares have been issued which have full voting, dividend and capital distribution rights.

Reserves

The following describes the nature and purpose of each reserve within equity:

Share premium account: Proceeds received in excess of the nominal value of shares issued, net of any transaction costs

Share option reserve: Recognises the value of equity-settled share-based payments expenses. See note 9 below and note 27 in the Group's consolidated financial statements for further details on share-based payment plans.

Retained earnings: All other accumulated net gains and losses and transactions with shareholders not recognised elsewhere.

9. Share-based payments

The Group operates several equity-settled share-based compensation plans for employees:

IPO Awards

Upon listing, a number of equity-settled schemes were set up, with options awarded to both the Leadership Team and eligible employees with employment pre-dating March 2021. There are no performance conditions attached to these schemes, except that the employee is required to be in continuing employment with the Group on the vest date, with the exception of the Leadership IPO award, that does not include this condition.

Long-Term Incentive Plans (LTIPs)

The Group operates an equity-settled LTIP for Executive Directors and the Senior Leadership Team, with performance conditions which are set out in the Remuneration Report. Performance conditions for the Senior Leadership Team are consistent with those disclosed for Executive Directors.

Save As You Earn Scheme

Employees are invited annually to participate in Save As You Earn Schemes up to a monthly maximum savings amount of £500, with options granted at the market rate less a discount of 20%. These schemes are HMRC 'approved' and are administered by a specialist third -party provider. All schemes carry a contractual vest period of 3 years from the scheme inception date, with a six-month exercise period after the completion of each scheme.

Further detail on the various schemes is provided on pages 150 to 152.

10. Contingent liabilities

The Company had no contingent liabilities at the year-end date (31 March 2024: none).

Alternative Performance Measures (APMs)

The Group monitors a range of measures to track financial and operational performance. These include alternative performance measures which may not be defined in accordance with statutory measures (IFRS) and are therefore prone to varying calculations and as such may not be comparable between different companies, although they may be similarly titled.

The Group considers these alternative performance measures to be helpful in providing stakeholders with additional information on the performance of the business, although it recognises that they should not be considered a substitute for, or superior to, IFRS measures.

To support the understanding of these APMs, details and definitions of the Group's measures are provided as follows:

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
Like for like ("LFL") revenue growth %	Provides an understanding of the performance of the existing and continuing business on a consistent basis year on year before the effect of new store or ecommerce launches	Movement in revenue year on year in the Consolidated Income Statement	Revenue from non-LFL stores and ecommerce channels	LFL revenue growth % is a revenue performance measure which reflects: • Retail YoY: Continuing Retail stores which were trading for at least one full financial year prior to the 31 March 2024, inclusive of any stores which may have moved location or increased/decreased footprint within a given retail centre. • Ecommerce YoY: ProCook direct website channel only.

Year on Year	FY25 £'000	FY24 £'000	Var %
LFL Revenue	**62,909**	**59,991**	**4.9%**
LFL Ecommerce	25,054	22,709	10.3%
LFL Retail	37,855	37,283	1.5%
Non LFL Revenue	**6,584**	**2,594**	
Non LFL Ecommerce	422	(13)	
Non LFL Retail	6.162	2,607	
Total Revenue	**69,493**	**62,585**	**11.0%**
Total Ecommerce	25,476	22,695	12.3%
Total Retail	44,017	39,890	10.3%

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
Gross Margin %	This measures our success in sourcing high quality products, which offer customers great value, while still achieving strong gross margins to support our business model.	Gross profit	Not applicable	Gross profit presented as a percentage of revenue. Gross profit represents revenue less cost of goods sold inclusive of costs incurred to get inventory to its final selling location and condition.

£'000/%	FY25	FY24
Revenue	69,493	62,585
Gross Profit	45,715	41,099
Gross Margin %	65.8%	65.7%

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
Non-underlying items	Excluding these items from profit measures provides readers with helpful additional information about the underlying performance of the Group, consistent with how performance is planned and reported to the Board.	None	See Note 3 in the consolidated financial statements	Non-underlying items are defined as transactions that, in the opinion of the Directors, should be disclosed separately from the reported Consolidated Income Statement in order to provide a consistent and comparable view of the underlying performance of the Group. This will include those items that relate to non-recurring events and are material in nature and which have been incurred outside of the normal business operations, including, but not limited to, restructuring and fund-raising activities.
Underlying operating profit **Underlying profit before tax** **Underlying profit after tax**	The Group consider these to be important measures of profit performance, helpful to the readers, and consistent with how Group performance is planned and reported to the Board.	Operating profit Profit before tax Profit after tax	See Consolidated Income Statement Non-underlying items detailed in note 3 of the consolidated financial statements	Statutory IFRS profit measures before the impact of non-underlying items. Treatment is consistent between financial periods.
Underlying and Reported EBITDA (Earnings Before Interest, Tax, Depreciation and Amortisation)	The Group consider these to be important measures of cash-generative profit performance, helpful to the readers	Operating profit	Not applicable	

FY25

£'000	Underlying	Non-underlying	Reported
Profit/(Loss) before tax	1,520	(344)	1,176
Finance expense	1,415	–	1,415
Other gains/(losses)	272	–	272
Depreciation, Amortisation, gains/(losses) on disposal, Impairments	5,713	–	5,713
EBITDA	**8,920**	**(344)**	**8,576**

FY24

£'000	Underlying	Non-underlying	Reported
Profit/(Loss) before tax	**1,007**	**(277)**	**730**
Finance expense	1,230	132	1,362
Other gains/(losses)	(114)	–	(114)
Depreciation, Amortisation, gains/(losses) on disposal, Impairments	4,673	(1,505)	3,168
EBITDA	**6,796**	**(1,650)**	**5,146**

FY24 EBITDA has been restated following a reassessment of Right of Use asset depreciation addbacks.

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
Underlying Effective tax rate	This measure is useful to understand the tax expense recognised in the Income Statement compared to the headline tax rate in force for the financial year.	None	Not applicable	Tax expense in the Consolidated Income Statement taken as a percentage of underlying profit before tax.

£'000/%	FY25	FY24
Underlying profit before tax	1,520	1,007
Tax (expense)	(247)	(165)
Effective tax rate %	16.3%	16.4%

Alternative Performance Measures (APMs) continued

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
Net capital expenditure	This measure is useful to highlight the net cash investment made by the Group in long-term assets which will provide economic benefits over a longer time frame.	Net cash used in investing activities	See Consolidated statement of cash flows	Calculated as capital expenditure in respect of purchases of Property, plant and equipment, intangible assets, and costs associated with lease arrangements, less proceeds from sale of fixed assets.

£'000	FY25	FY24
Purchase of property, plant, and equipment	**3,828**	1,844
Lease inception costs	**249**	71
Lease incentives received	**–**	(60)
Net capital expenditure	**4,077**	**1,855**

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
Free cash flow	This measure is useful to understand the level of free cash generated which could be retained for future investment by the business, utilised to repay any debt or distributed to shareholders.	Net movement in cash and cash equivalents	See CFO's report	Net increase/(decrease) in cash and cash equivalents before dividend payments, proceeds from the issue of shares, and proceeds/(repayments) from borrowings.

£'000	FY25	FY24
Net change in cash and cash equivalents	**757**	**43**
Add back dividends paid	–	–
Add back change in borrowings	949	1,949
Free Cash Flow	**1,706**	**1,992**

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
Net cash/(debt)	This measure is useful to understand the financial stability of the business and as an indicator of leverage.	None	Not applicable	Net cash/(debt) comprises of cash and cash equivalents less borrowings. This definition of net cash/(debt) does not include lease liabilities, derivatives or any contingent consideration, which may be conditional upon future events which are not yet certain at the year-end date.

£'000	FY25	FY24
Cash and cash equivalents	2,762	2,005
Borrowings	(1,805)	(2,754)
Net cash/(debt)	**957**	**(749)**

APM	Rationale	Closest equivalent IFRS measure	Reconciliation to IFRS measure	Definition and reconciliation
12 month repeat rate %	This measure is useful to understand the Group's ability to retain customers and as an indicator of the Group's ability to increase the life time value of customers.	None	Not applicable	The 12 month repeat rate reflects the percentage of new customers who first purchased from the Group in the preceding financial year, who have made at least one subsequent purchase in the 12 months since their first purchase.
Number of active customers	This measure of the Group's active customer database is useful as an indicator of continued penetration into the markets we operate in. This database allows ProCook to understand shopping behaviours and better target marketing activities.	None	Not applicable	Active customers are those that have completed at least 1 purchase during the last 12 months (L12M) and whose customer details are recorded on our customer database.

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