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Tasty PLC
30 September 2024

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Tasty plc

("Tasty", the "Group" or the "Company")

Unaudited Interim Results for the 26 weeks ended 30 June 2024 and Directorate Change

Tasty (AIM: TAST), the owner and operator of restaurants in the casual dining sector, announces its interim results for the 26 week period ended 30 June 2024 ("H1 2024").

Key Points:

- Revenue of £19.1m (H1 2023: £21.7m); decrease of 12.0%
- Adjusted EBITDA[1] of £1.9m (H1 2023: £1.1m)
- Impairment charge of £0.8m (H1 2023: £4.0m)
- Profit before highlighted items for the period of £0.6m (H1 2023: loss £1.0m)
- Cash balance of £3.0m (H1 2023: £2.8m)
- Started the period with 51 trading restaurants, 14 closed, ending the period with 37 trading restaurants
- Restructuring Plan sanctioned on 4 June 2024
- £750,000 loan received to fund Restructuring Plan and provide additional working capital
- Cost of living crisis, rapid decline in consumer confidence and interest rates expected to further impact revenue in H2 2024
- Inflationary pressure on labour and food continues to adversely affect profitability but is being kept under control

1 Adjusted for depreciation, amortisation and share based payments.

Post period

- Harald Samúelsson to step down from the Board with effect from 1 October 2024 to focus on other business interests

Chairman's statement

Introduction
H1 2024 was a period of significant change for the Group.Following a period of external challenges which impacted the Group's business and trading performance, the Board explored strategic and restructuring options available to it. The Board concluded that it was in the best interests of the Group to enter a Court and creditor approved Restructuring Plan alongside a number of additional measures to be implemented across the Group, to restructure the Group to return it to profitability and secure its long-term future, in order to deliver the best outcome for stakeholders. The Restructuring Plan was launched on 9 April 2024 with the immediate closure of nine trading restaurants and a further two restaurants closed in May 2024. Two non-trading restaurants and three sub-lets were also exited as part of the Restructuring Plan. Outside of the Restructuring Plan, two restaurants were closed earlier in the year and one lease assigned in June 2024. In total, 14 trading restaurants closed in H1 2024, unfortunately resulting in around 160 redundancies during the period.

Despite operating in a challenging environment and facing disruptions from the Restructuring Plan, 2024 performance was only marginally behind 2023 for the same period, with like-for-like sales down -0.4%. The first quarter showed a slight improvement of +0.7% compared to the previous year. However, the second quarter, affected by the Restructuring Plan and various sporting events, saw a decline of -1.4% in like-for-like sales compared to 2023.

The casual dining market continues to contend with several adverse factors, including ongoing uncertainty from the cost-of-living crisis, inflationary pressures on food and increases in the National Minimum Wage. Given these challenges and the ongoing restructuring of our estate, our outlook remains cautious for the remainder of 2024. Across the Industry and the retail sector there has been a decline in consumer confidence and a discernible decline in discretionary spend.

H1 2024 has been a period of significant change for the Group with the reshaping of our estate and the wholesale changes to our operating structure.

People
The National Minimum Wage has continued to rise, but staff shortages have eased somewhat due to contraction in the hospitality sector, alongside notable improvements in our recruitment, training and employee engagement efforts. As a result, staff retention and labour shortages are now less of a challenge than before. However, with the labour market remaining highly competitive, we remain committed to motivating and developing our teams through regular training, opportunities for progression and pay reviews to stay competitive.

Inflationary costs
Inflationary pressures have remained significant, particularly due to increases in minimum wage and food costs. Despite the ongoing rise in food inflation, we have managed to improve our food margin by 1.6% compared to the first half of 2023. Our

utility fixed contract, which expired in June 2024, has been renewed with an 18 month deal approximately 10% lower than the previous contract.

Environmental, social and governance
The wellbeing and safety of our employees and customers are at the heart of our operations. We continue to prioritise sustainability and actively work to reduce the environmental impact of our business. As a dedicated equal opportunity employer, we remain committed to fostering diversity and inclusion in the workplace.

Results

Revenue decreased by 12.0% to £19.1m (H1 2023: £21.7m) mainly due to the impact of the above site closures. First quarter performance was marginally ahead of 2023, however, the second quarter, due to the turmoil of the Restructuring Plan and key sporting events was-1.4% behind 2023. Delivery sales continue to decline as expected, in line with the market and the impact of the cost-of-living crisis.

The adjusted EBITDA for the period was £1.9m (H1 2023: £1.1m).

Operating profit before highlighted items was £0.6m (H1 2023: loss £1.0m).

We have reviewed the impairment provision across the right-of-use-assets and fixed assets and due to site closures have made a net provision of £0.8m (H1 2023: £4.0m).

After taking into account all non-trade adjustments, the Group reports a profit after tax for the period of £13.4m (H1 2023: loss £6.2m) being a £19.6m improvement on H1 2023 due to non-cash adjustments comprising a £15.4m gain on lease modification due to site closures and a £3.2m reduction in impairment.

Cash flows and financing

Cash inflow from operations was £0.2m (H1 2023: outflow £1.5m). Overall, the net cash outflow for the period was £1.2m (H1 2023: outflow £4.2m). As at 30 June 2024, the Group had net cash of £3.0m (H1 2023: net cash of £2.8m).

A £750,000 loan was received on 9 April 2024 to fund the implementation of the Restructuring Plan and provide additional working capital.

Going concern

The Directors have a reasonable expectation that the Group has sufficient resources to continue in existence for the foreseeable future. In reaching this conclusion the Directors have considered the financial position of the Group, together with its forecasts for the coming 12 months and taking into account possible changes in its trading performance. The going concern basis of accounting has, therefore, been adopted in preparing this interim financial report.

Board Change

In addition, the Company announces that Harald Samúelsson will step down from his position as Non-executive Director and leave the Company with effect from 1 October 2024, to focus on other business opportunities. The Board would like to thank Harald for his beneficial contribution over the last 3 years and wishes him well for the future. The Board will commence the search for an additional independent non-executive director as soon as practicable. Further announcements will be made in due course.

Outlook

In these uncertain times, we are maintaining a cautious approach. Prioritising staff retention and cost control remains crucial, and the Board is cautiously optimistic about navigating the current challenges.

Above all, we extend our heartfelt gratitude to our employees, shareholders, suppliers and other stakeholders for their unwavering support throughout the restructuring process.

K Lassman
Chairman
Tasty plc

30 September 2024

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Certain of the information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the UK version of the EU Market Abuse Regulation (596/2014). Upon publication of this announcement via a regulatory information service, this information is considered to be in the public domain.

Consolidated statement of comprehensive income
for the 26 weeks ended 30 June 2024 (unaudited)

	26 weeks to 30 June 2024 £'000	26 weeks to 25 June 2023 £'000	53 weeks Ended 31 December 2023 £'000

Revenue	**19,140**	**21,724**	**46,910**
Cost of sales	(17,791)	(21,843)	(44,754)
Gross Profit/(loss)	**1,349**	**(119)**	**2,156**
Other income	280	159	374
Total operating expenses	12,436	(5,184)	(14,840)
Operating Profit/(loss) before highlighted items	590	(1,018)	264
Highlighted items	13,475	(4,126)	(12,574)
Operating profit/(loss)	**14,065**	**(5,144)**	**(12,310)**
Finance income	82	62	140
Finance expense	(765)	(1,157)	(2,303)
Profit/(loss) before tax	**13,382**	**(6,239)**	**(14,473)**
Profit/(loss) and total comprehensive income for period and attributable to owners of the parent	**13,382**	**(6,239)**	**(14,473)**
Profit/(loss) per share attributable to the ordinary equity owners of the parent			
Basic	9.15p	(4.26p)	(9.89p)
Diluted	8.22p	(3.82p)	(8.89p)

The table below gives additional information to shareholders on key performance indicators:

	Post IFRS 16 **26 weeks to 30 June 2024 £'000**	Pre IFRS 16 **26 weeks to 30 June 2024 £'000**	Post IFRS 16 **26 weeks to 25 June 2023 £'000**	Pre IFRS 16 **26 weeks to 25 June 2023 £'000**
EBITDA before highlighted items	**1,894**	**(357)**	**1,133**	**(1,510)**
Depreciation of PP&E and amortisation	**(446)**	**(396)**	**(875)**	**(908)**
Depreciation of right-of-use assets (IFRS16)	**(858)**	-	**(1,276)**	-
Operating profit/(loss) before highlighted items	**590**	**(753)**	**(1,018)**	**(2,418)**

Analysis of highlighted items	**26 weeks to 30 June 2024 £'000**	**26 weeks to 25 June 2023 £'000**	**53 weeks ended 31 December 2023 £'000**
Loss on disposal of property plant and equipment	(293)	-	(84)
Exceptional cost - restructuring	(650)	(56)	(69)
Impairment of right-of-use assets	(450)	(2,584)	(8,192)
Impairment charge of property, plant and equipment	(305)	(1,376)	(4,086)
Share based payments	(15)	(12)	(11)
Pre-opening costs	(185)	-	(48)
Gain/(loss) on lease modifications	15,373	(98)	(84)
Total highlighted items	**13,475**	**(4,126)**	**(12,574)**

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

Consolidated statement of changes in equity

for the 26 weeks ended 30 June 2024 (unaudited)

	Share Capital £'000	Share Premium £'000	Merger Reserve £'000	Retained Deficit £'000	Total Equity £'000
Balance at 31 December 2023	**6,061**	**24,254**	**992**	**(47,817)**	**(16,510)**
Total comprehensive income for the period	-	-	-	13,382	13,382
Share based payments - credit to equity	-	-	-	15	15
Balance at 30 June 2024	**6,061**	**24,254**	**992**	**(34,420)**	**(3,113)**
Balance at 25 December 2022	6,061	24,254	992	(33,355)	(2,048)
Total comprehensive income for the period	-	-	-	(6,239)	(6,239)
Share based payments - credit to equity	-	-	-	12	12
Balance at 25 June 2023	**6,061**	**24,254**	**992**	**(39,582)**	**(8,275)**
Balance at 25 December 2022	6,061	24,254	992	(33,355)	(2,048)
Total comprehensive income for the period	-	-	-	(14,473)	(14,473)
Share based payments - credit to equity	-	-	-	11	11
Balance at 31 December 2023	**6,061**	**24,254**	**992**	**(47,817)**	**(16,510)**

Consolidated balance sheet

At 30 June 2024 (unaudited)

	26 weeks to 30 June 2024 £'000	26 weeks to 25 June 2023 £'000	53 weeks ended 31 December 2023 £'000
Non-current assets			
Intangible assets	30	32	31
Property, plant and equipment	11,452	15,255	12,248
Right-of-use- assets	21,951	29,184	23,289
Other non-current assets	15	65	65
Total non-current assets	**33,448**	**44,536**	**35,633**
Current assets			
Inventories	1,395	2,013	1,921
Trade and other receivables	2,636	2,499	1,541
Cash and cash equivalents	2,993	2,777	4,177
Total current assets	**7,024**	**7,289**	**7,639**
Total assets	**40,472**	**51,825**	**43,272**
Current liabilities			
Trade and other payables	(9,991)	(10,617)	(10,403)
Lease liabilities	(1,681)	(1,993)	(2,186)
Borrowings	(750)	-	-
Total current liabilities	**(12,422)**	**(12,610)**	**(12,589)**
Non-current liabilities			
Provisions	(342)	(342)	(342)
Lease liabilities	(30,764)	(47,044)	(46,745)
Other payables	(57)	(104)	(106)
Total non-current liabilities	**(31,163)**	**(47,490)**	**(47,193)**
Total liabilities	**(43,585)**	**(60,100)**	**(59,782)**
Total net (liabilities)/assets	**(3,113)**	**(8,275)**	**(16,510)**
Equity			
Share capital	6,061	6,061	6,061
Share premium	24,254	24,254	24,254
Merger reserve	992	992	992
Retained deficit	(34,420)	(39,582)	(47,817)
Total equity	**(3,113)**	**(8,275)**	**(16,510)**

Consolidated cash flow statement

for the 26 weeks ended 30 June 2024 (unaudited)

	26 weeks to 30 June 2024 £'000	26 weeks to 25 June 2023 £'000	53 weeks ended 31 December 2023 £'000
Operating activities			
Cash generated from operations	15,451	(1,506)	2,532
Disposal of lease liabilities (IFRS 16)	(15,301)	-	(64)
Net cash inflow from operating activities	**150**	**(1,506)**	**2,468**
Investing activities			
Costs due to sale of property, plant and equipment	(161)	-	(50)
Purchase of intangible assets	-	-	(9)
Purchase of property, plant and equipment	(89)	(181)	(250)
Interest received	82	62	140
Net cash flows used in investing activities	**(168)**	**(119)**	**(169)**
Financing activities			
Investor loan	750	-	-
Finance expense	(765)	(1,157)	(2,303)
Principal paid on lease liabilities	(16,452)	(1,443)	(2,885)
Disposal of lease liabilities (IFRS 16)	15,301	-	64
Net cash flows used in financing activities	**(1,166)**	**(2,600)**	**(5,124)**
Net increase in cash and cash equivalents	(1,184)	(4,225)	(2,825)
Cash and cash equivalents at beginning of the period	4,177	7,002	7,002
Cash and cash equivalents at end of the period	**2,993**	**2,777**	**4,177**

Notes to the condensed financial statements
for the 26 weeks ended 30 June 2024 (unaudited)

1 General information

Tasty plc is a public limited company incorporated in the United Kingdom under the Companies Act (registration number 05826464). The Company is domiciled in the United Kingdom and its registered address is 32 Charlotte Street, London, W1T 2NQ. The Company's ordinary shares are traded on the AIM Market of the London Stock Exchange ("AIM"). Copies of this Interim Report and the Annual Report and Financial Statements may be obtained from the above address or on the investor relations section of the Company's website at www.dimt.co.uk.

2 Basis of accounting

The condensed set of financial statements included in this interim financial report has been prepared in accordance with IAS 34 'Interim Financial Reporting', as adopted by the United Kingdom and accounting policies consistent with International Financial Reporting Standards (IFRS) and International Financial Reporting Interpretations Committee (IFRIC) interpretations as endorsed by the United Kingdom. The same accounting policies, presentation and methods of computation have been followed in the preparation of these results as were applied in the Company's latest annual audited financial statements.

The financial information for the 26 weeks ended 30 June 2024 has not been subject to an audit nor a review in accordance with International Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity, issued by the Financial Reporting Council.

The financial information for the period ended 31 December 2023 does not constitute the full statutory accounts for that period. The Annual Report and Financial Statements for 2023 have been filed with the Registrar of Companies. The Independent Auditors' Report on the Annual Report and Financial Statements for 2023 was unqualified, did not draw attention to any matters by way of emphasis, and did not contain a statement under 498(2) or 498(3) of the Companies Act 2006.

The condensed financial statements are presented in sterling and all values are rounded to the nearest thousand pounds (£'000).

Except when otherwise indicated, the consolidated accounts incorporate the financial statements of Tasty plc and its subsidiary, Took Us A Long Time Limited, made up to the relevant period end.

Use of judgements and estimates

In preparing these interim financial statements management has made judgements and estimates that affect the application of accounting policies and measurement of assets and liabilities, income and expense provisions. Actual results may differ from these estimates.

Going concern

The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for the foreseeable future. In reaching this conclusion the Directors have considered the financial position of the Group, together with its forecasts for the next 12 months from the date of approval of these interim accounts and taking into account possible changes in trading performance. The Group monitors cash balances and the impact of inflation closely to ensure there is sufficient liquidity. Accordingly, the Directors believe that it remains appropriate to prepare the financial statements on a going concern basis.

IFRS 16 'Leases'

Group's accounting policies for leases are as follows:

Lessee accounting

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

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

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

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

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

Lessor accounting

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

Based on an analysis of the Group's operating leases as at 30 June 2024 on the basis of the facts and circumstances that exist at that date, the Directors of the Group have assessed that the impact of this change has not had any impact on the amounts recognised in the Group's consolidated financial statements.

Short-term leases and leases of low-value assets

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

Covid-19 related rent concessions

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

Impairments

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

Assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount may not be recoverable. Where the carrying value of an asset or a cash generating unit (CGU) exceeds its recoverable amount, i.e. the higher of value in use and fair value less costs to dispose of the asset, the asset is written down accordingly.

The Group views each restaurant as a separate CGU. Value in use is calculated using cash flows excluding outflows from financing costs over the remaining life of the lease for the CGU discounted at 9.75% (2023: 9%), being the rate considered to reflect the risks associated with the CGUs. A growth rate of 0.5% has been applied (2023: 1%).

An impairment review was undertaken across the ROU assets and fixed assets which resulted in a net impairment charge of £0.8m (2023: £4.0m). Where an impairment reversal is recognised, the carrying amount of the asset will be increased to its recoverable amount with the increase being recognised in the income statement. This increased amount cannot exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years.

The assumptions will be reviewed at year-end to ensure that the cashflow expectations are in line with the latest outlook.

3 Revenue, other income and segmental analysis

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

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

	26 weeks to 30 June	26 weeks to 25 June	53 weeks ended 31 December

	2024	2023	2023
	£'000	£'000	£'000
Sale of goods and services: dine-in	17,186	19,401	42,342
Sale of goods and services: delivery and takeaway	1,954	2,323	4,568
	19,140	**21,724**	**46,910**

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

	26 weeks to 30 June 2024	26 weeks to 25 June 2023	53 weeks ended 31 December 2023
	£'000	£'000	£'000
Sub-let site rental income	75	132	328
Other	205	27	46
	280	**159**	**374**

4 Income tax

The income tax charge has been calculated by reference to the estimated effective corporation tax and deferred tax rates of 25% (2023: 25%).

Tax charge £nil (2023: £nil).

5 Earnings per share

	26 weeks to 30 June 2024	26 weeks to 25 June 2023	53 weeks ended 31 December 2023
	Pence	Pence	Pence
Basic profit/(loss) per ordinary share	9.15p	(4.26p)	(9.89p)
Diluted profit/(loss) per ordinary share	8.22p	(3.82p)	(8.89p)

	30 June 2024 Number '000	25 June 2023 Number '000	31 December 2023 Number '000
Loss per share has been calculated using the numbers shown below:			
Weighted average number of ordinary shares used as the denominator in calculating basic earnings per share	146,315	146,315	146,315
Adjustments for calculation of diluted earnings per share:			
Ordinary B shares	10,451	10,451	10,451
Options	6,085	6,400	6,085
Weighted average number of ordinary shares and potential ordinary shares used as the denominator in calculating diluted earnings per share	162,851	163,166	162,851

	30 June 2024	25 June 2023	31 December 2023
	£'000	£'000	£'000
Profit/(loss) for the financial period	13,382	(6,239)	(14,473)

The basic and diluted profit/(loss) per share figures are calculated by dividing the net loss for the period attributable to shareholders by the weighted average number of ordinary shares in issue during the period. The diluted earnings per share figure allows for the dilutive effect of the conversion into ordinary shares of the weighted average number of options outstanding during the period. Options are only taken into account when their effect is to reduce basic earnings per share.

6 Reconciliation of result before tax to net cash generated from operating activities

	26 weeks to 30 June 2024 £'000	26 weeks to 25 June 2023 £'000	53 weeks ended 31 December 2023 £'000
Profit/(loss) before tax	13,382	(6,239)	(14,473)
Finance income	(82)	(62)	(140)
Finance expense (IFRS 16)	765	1,157	2,303
Share based payment charge	15	12	11
Depreciation of right-of-use assets (IFRS 16)	858	1,276	2,524
Depreciation of property, plant and equipment	444	874	1,589
Amortisation of intangible assets	2	2	3
Impairment charge of property, plant and equipment	305	1,376	4,086
Impairment of Right-of-use assets	450	2,584	8,192
Loss from sale of property, plant and equipment	293	-	84
Dilapidations provision charge	-	3	3
Other non cash	(2)	-	-
Decrease/(Increase) in inventories	525	177	270
(Increase) in trade and other receivables	(1,044)	(866)	92
Increase/(decrease) in trade and other payables	(460)	(1,800)	(2,012)
Net cash (outflow)/inflow from operating activities	**15,451**	**(1,506)**	**2,532**

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

	Leasehold improvements £'000	Furniture fixtures and computer equipment £'000	Total fixed assets £'000	ROU assets £'000	Total £'000
Cost					
At 25 December 2022	37,849	10,893	48,742	54,818	103,560
Additions	(14)	264	250	1,173	1,423
Lease modification	-	-	-	333	333
Disposals	(521)	(193)	(714)	(405)	(1,119)
At 31 December 2023	**37,314**	**10,964**	**48,278**	**55,919**	**104,197**
Additions	-	84	84	5	89
Lease modification	-	-	-	(34)	(34)
Disposals	(10,446)	(2,913)	(13,359)	(15,576)	(28,935)
At 30 June 2024	**26,868**	**8,135**	**35,003**	**40,314**	**75,317**
Depreciation					
At 25 December 2022	23,195	7,853	31,048	22,305	53,353
Provided for the period	871	718	1,589	2,524	4,113
Impairments	3,518	568	4,086	8,192	12,278
Disposals	(526)	(167)	(693)	(391)	(1,084)
At 31 December 2023	27,058	8,972	36,030	32,630	68,660
Provided for the period	262	182	444	858	1,302
Impairments	122	183	305	450	755
Disposals	(10,370)	(2,858)	(13,228)	(15,575)	(28,803)
At 30 June 2024	**17,072**	**6,479**	**23,551**	**18,363**	**41,914**
Net book value					
At 30 June 2024	**9,796**	**1,656**	**11,452**	**21,951**	**33,403**
At 31 December 2023	10,256	1,992	12,248	23,289	35,537

8 Leases

	26	26	53

	weeks to 30 June 2024 £'000	weeks to 25 June 2023 £'000	weeks ended 31 December 2023 £'000
Current			
Lease liabilities	1,681	1,993	2,186
Non-current			
Lease liabilities	30,764	47,044	46,745
Total	**32,445**	**49,037**	**48,931**

Due within one year	1,681	1,993	2,186
Due two to five years	13,028	9,586	17,122
Due over five years	17,736	37,458	29,623
Total	**32,445**	**49,037**	**48,931**

Lease liabilities are measured at the present value of the remaining lease payments, discounted using the Group's incremental borrowing rate of 4.5% and the Bank of England (BoE) base rate at the time of any lease modification or a new lease. The average rate used for modification in 2024 was 4.73% (2023: 4.67%).

The lease liabilities as at 30 June 2024 were £32.4m (2023: £49.0m).

The right-of-use assets all relate to property leases. The right-of-use assets as at 30 June 2024 were £21.9m (2024: £29.2m). During the period ended 30 June 2024 the Group made a provision for impairment of the right-of-use assets against a number of sites totalling £0.5m (2023: £2.6m).

Included in profit and loss for the period is £0.9m depreciation of right-of-use assets and £0.8m financial expenses on lease liabilities.

9 Reconciliation of financing activity

	Lease liabilities	Lease liabilities	Bank Loan	Bank Loan	Total
	Due within 1 year	Due after 1 year	Due within 1 year	Due after 1 year	
	£'000	£'000	£'000	£'000	£'000
Net debt as at 26 December 2021	2,024	50,157	313	937	53,431
Cashflow	(3,172)	-	(313)	(937)	(4,422)
Addition/(decrease) to lease liability	3,101	(1,799)	-	-	1,302
Net debt as at 25 December 2022	**1,953**	**48,358**	**-**	**-**	**50,311**
Cashflow	(2,885)	-	-	-	(2,885)
Addition/(decrease) to lease liability	3,118	(1,613)	-	-	1,505
Net debt as at 31 December 2023	**2,186**	**46,745**	**-**	**-**	**48,931**
Cashflow	(16,452)	-	750	-	(15,702)
Addition/(decrease) to lease liability	15,947	(15,981)	-	-	(34)
Net debt as at 30 June 2024	**1,681**	**30,764**	**750**	**-**	**33,195**

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