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Wetherspoon (JD) PLC
21 March 2025

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J D WETHERSPOON PLC
INTERIM RESULTS
(For the 26 weeks ended 26 January 2025)

FINANCIAL HIGHLIGHTS	**Var %**
Before separately disclosed items	
Like-for-like sales (vs FY2024)	+4.8%
Revenue £1,029.5m (2024: £991.0m)	+3.9%
Profit before tax £32.9m (2024: £36.0m)	-8.6%
Operating profit £64.8m (2024: £67.7m)	-4.3%
Basic earnings per share 21.5p (2024: 20.3p)	+5.9%
Free cash outflow per share (0.4p) (2024: outflow (4.8p))	+91.7%
Half year dividend 4.0p (2024: 0.0p)	+100.0%
After separately disclosed items[1]	
Profit before tax £41.3m (2024: £26.1m)	+58.2%
Operating profit £63.0m (2024: £72.0m)	-12.5%
Basic earnings per share 27.8p (2024: 15.2p)	+82.9%

[1]Separately disclosed items as disclosed in account note 2.

Commenting on the results, Tim Martin, the Chairman of J D Wetherspoon plc, said:

"In the last seven weeks, to 16 March 2025, like-for-like sales increased by 5.0%.

"Increases in national insurance and labour rates will result in company cost increases of approximately £60 million per annum, which amount to approximately £1,500 per pub, per week.

"Since labour costs are around 35% of the pub industry's sales, compared to around 11% for supermarkets, increases of this nature inevitably have a disproportionate impact on pubs, exacerbating the already-wide price differential for customers between the on and off-trade.

"The combination of much higher VAT rates for pubs than supermarkets, combined with increased labour costs will weigh heavily on the pub industry.

"The company currently anticipates a reasonable outcome for the financial year, subject to our future sales performance."

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Notes to editors

1. J D Wetherspoon owns and operates pubs throughout the UK. The Company aims to provide customers with good-quality food and drink, served by well-trained and friendly staff, at reasonable prices. The pubs are individually designed and the Company aims to maintain them in excellent condition.
2. Visit our website jdwetherspoon.com
3. The financial information set out in the announcement does not constitute the company's statutory accounts for the periods ended 27 July 2025 or 28 July 2024. The financial information for the period ended 28 July 2024 is

derived from the statutory accounts for that year which have been delivered to the Registrar of Companies. The auditors have reported on those accounts: their report was unqualified and did not contain a statement under section 498(2) or (3) of the Companies Act 2006. Statutory accounts for 2025 will be delivered to the registrar of companies in due course. This announcement has been prepared solely to provide additional information to the shareholders of J D Wetherspoon, in order to meet the requirements of the UK Listing Authority's Disclosure and Transparency Rules. It should not be relied on by any other party, for other purposes. Forward-looking statements have been made by the directors in good faith using information available up until the date that they approved this statement. Forward-looking statements should be regarded with caution because of inherent uncertainties in economic trends and business risks.

4. The annual report and financial statements 2024 has been published on the Company's website on 4 October 2024.
5. The current financial year comprises 52 trading weeks to 27 July 2025.
6. The next trading update will be issued on 7 May 2025.

CHAIRMAN'S STATEMENT

Trading Summary

Total sales in the half year FY25 were £1,030 million, an increase of 3.9% compared to FY24. The company opened two pubs in the period (the Grand Assembly in Marlow and The Lion and The Unicorn in Waterloo Station, London) and sold six, with 796 pubs open at the period end.

LFL sales increased by 4.8% - bar sales increased by 4.3%, food by 5.4% and slot/fruit machines by 12.4%.

Operating profit, before separately disclosed items, was £64.8 million (2024: £67.7 million). The operating margin, before separately disclosed items, was 6.30% (2024: 6.83%), mainly due to labour and utility costs which, in total, were £30.6 million higher.

Profit, before tax and separately disclosed items, was £32.9 million (2024: £36.0 million).

The pub disposals, referred to above, gave rise to a cash inflow of £3.9 million. There was an exceptional loss on disposal of £2.2 million, recognised in the income statement, relating to these pubs.

Franchises

Wetherspoon opened its first franchised pub in Hull University's student union in January 2022. The second opened at Newcastle University in September 2023, and the third at Haven Primrose Valley Holiday Park, Filey, North Yorkshire in March 2024. The company expects to open a further five franchise pubs in the second half of the current financial year - four of these will be at Haven Holiday Parks.

Earnings

Earnings per share, before separately disclosed items, assisted by share repurchases (please see "Dividends and return of capital", below), were 21.5p (2024: 20.3p).

Capital Investment

Total capital investment was £64.6 million (2024: £57.2 million). £10.4 million was invested in new pubs and pub extensions (2024: £10.5 million), £40.6 million in existing pubs and IT (2024: £34.6 million) and £13.6 million in freehold reversions of properties where Wetherspoon was the tenant (2024: £12.1 million).

Separately disclosed items

Overall, there was a pre-tax 'separately disclosed profit' of £8.5 million (2024: loss of £9.9 million), mainly as a result of a positive movement in the value of interest rate swaps of £11.1 million, partially offset by a loss on disposal of £2.2 million. Details are listed in note 2 of the accounts.

The tax effect on separately disclosed items is a debit of £1.1 million (2024: credit of £3.7 million).

The net book value of the company's assets in the balance sheet at the half year end were £1.40 billion, which is approximately seven times the company's EBITDA (pre IFRS-16), in the last 12 months to January 2025, of £191 million.

Free cash flow

It is anticipated that free cash flow ("FCF"), which has often been higher than profit before tax will, in future, approximately correspond to profit after tax.

The main reasons for the reduction in the ratio of FCF to profit before tax are:

- corporation tax has increased from 19 to 25 per cent between 2019 and today, which will reduce FCF.

- capital reinvestment in existing pubs, which is deducted in calculating FCF, averaged 3.1% of sales in the five years up to 2019. It is estimated that reinvestment will increase to 3.7% of sales, as a result of an increase in expenditure in areas such as IT, staff rooms, updated kitchen equipment and heating and cooling systems.

- depreciation (which is deducted from profit before tax, but added back to FCF) has decreased as a percentage of sales since some older leasehold pubs, which are still in use, and some older assets, have been fully depreciated. In addition, there are likely to be fewer new pubs, which have higher levels of depreciation and higher levels of capital allowances. Depreciation in the five years to 2019 averaged 4.4% of sales and it is estimated that it will average 3.5% in the future.

In the period under review, there was a free cash outflow of £0.5 million mainly as a result of negative working capital of £7.6 million, higher reinvestment of £41 million, higher-than-usual share purchases for employees ("SIPs") and a corporation tax payment in the period of £10.9 million, which was higher than the tax charge in the income statement

Balance sheet

Debt, excluding IFRS-16 lease debt, was £703.5 million at the period end (28 July 2024: £664.8 million).

On an IFRS-16 basis, which includes notional debt from leases, debt increased from £1.07 billion to £1.10 billion at the FY25 Interim review.

Dividends and return of capital

The board declared an interim dividend of 4.0p per share for the current interim financial period ending 26 January 2025 (2024: nil). The interim dividend will be paid on 30th May 2025 to those shareholders on the register at 1st May 2025.

During the period, 1,840,000 shares (1.5% of the share capital) were purchased by the company for cancellation, at a cost of £11.5 million, including stamp duty and fees, representing an average cost per share of 621p.

Financing

The company has total available finance facilities of £938 million.

On 6 June 2024, the company signed a new four-year £840 million banking agreement on attractive terms.

In the last six months, the company has agreed two additional interest rate swaps, at rates of between 4.00% and 4.14%, excluding the banks' margin. The details are shown below:

Swap Value	Start Date	End Date	Weighted Average %
£200m	23-Aug-23	06-Feb-25	5.67%
£400m	06-Feb-25	06-Feb-28	4.23%
£200m	06-Feb-25	06-Feb-28	4.14%
£500m	07-Feb-28	06-Feb-30	4.00%

The total cost of the company's debt, in the period under review, including the banks' margin was 6.59%.

Taxation

The total tax charge for the period was £8.0 million (although as indicated in the section entitled "Free Cash Flow", above, the tax payment in the period was £10.9 million) in respect of profits before separately disclosed items (2024: £6.6 million).

The total tax charge comprises two parts. The first part is the actual current tax (the 'cash' tax) which this year is £5.4 million (2024: £0.1 million). The second part is deferred tax (the 'accounting' tax), which is tax payable in future periods, that must be recognised in the current period for accounting purposes. The accounting tax charge for the period is £2.6 million (2024: £11.1 million).

Important Information

Please note that the sections in italics below, which have been updated, contain important information about the company, which is mostly a reproduction from the chairman's statement in the 2024 annual report:

We're from the government and we're here to help you

At the risk of boring shareholders, we are repeating, in this section, some comments made at the year-end regarding proposed changes to the licensing laws and a tax system which inexplicably benefits supermarkets, since many government ministers, over the decades, appear to have a hobby of introducing daft regulations and taxes which are to the detriment of the pub industry.

Pubs are highly regulated businesses, controlled by licensing laws, which originate in parliament.

In recent weeks, according to press reports, two potential changes to licensing regulations have been aired by government ministers and academic researchers, both aimed at lowering alcohol consumption.

The first is that pub and hospitality licensing hours might be reduced. Since 1988, pubs have been able to open all day, having previously been required to close for around two or three hours each afternoon.

In addition, in 2005, the then government further liberalised licensing laws, which resulted in many pubs opening an hour or two more in the evening - in Wetherspoon's case, usually until midnight on weekdays and until 1am on Fridays and Saturdays.

Counterintuitively, since these liberalisations, the share of alcohol consumption of the "on-trade" - pubs, clubs, restaurants etc - has plummeted.

In the early 1980s, the on-trade accounted for about 90% of beer sales, for example.

This dropped to about 50% before the pandemic and is now about 40%, probably due to the increase in price disparity with supermarkets, which stems from the tax disadvantage referred to in the section entitled "VAT equality" below.

The effect of reducing pub opening times would certainly further reduce on-trade consumption, but that reduction is likely to be replaced by "off-trade" consumption at home and in other "unregulated" environments.

Among the advantages of the on-trade, linked to regulation, are that consumption is supervised by trained licensees, police and local authorities, in many cases including CCTV coverage of premises, and so on.

This does not mean that pubs are invariably oases of tranquillity but, in general, pub behaviour is good and pubs are valued by communities.

The second, slightly daft, proposal is reported as emanating from Cambridge University - that pubs should sell beer in quantities of two-thirds of a pint (sometimes called schooners), rather than the traditional pint.

Common sense indicates that reducing glass sizes is unlikely, due to human nature, to reduce alcohol consumption in pubs, and would also have no effect whatsoever on drinks bought in supermarkets, unless container sizes in supermarkets were also, unrealistically, reduced.

For example, our Aussie cousins, notorious guzzlers, already use schooners without any noticeable reduction in consumption.

Both these proposals seem likely, if implemented, to encourage off-trade consumption at the expense of the on-trade, thereby exchanging the relatively highly priced and supervised pub environment for the inexpensive and unsupervised alternative of home, park and party consumption.

The word 'pub' may have a misleading connotation for some ministers and researchers. For example, Wetherspoon's highest selling

The word 'pub' may have a misleading connotation for some ministers and researchers. For example, Wetherspoon's highest selling draught product by far, is Pepsi. Coffee and tea volumes, which are not in the draught category, are approximately double those of Pepsi. The reality is that products sold in pubs have radically changed in recent decades.

In summary, neither of these proposals would seem to pass the common-sense test.

Scottish Business Rates

*In **appendix 1** below, we explain how business rates for Scottish pubs, theoretically based on property values, have, by a strange process of legal reasoning, become a de facto sales tax, based on the sales performance of the occupier.*

VAT equality

Wetherspoon, along with many in the hospitality industry, has been a strong advocate of tax equality between the off-trade, which consists mainly of supermarkets, and the on-trade, consisting mainly of pubs, clubs and restaurants.

Pubs, clubs and restaurants pay 20% VAT in respect of food sales but supermarkets pay nothing. Supermarkets also pay far less business rates per pint or meal than pubs.

It does not make economic sense for the tax system to favour mainly out-of-town supermarkets over mainly high-street pubs.

This imbalance is a major factor in town centre and high street dereliction.
*Our more detailed arguments on this point, from our FY23 annual report, can be found in **appendix 2** below.*

How pubs contribute to the economy

Wetherspoon and other pub and restaurant companies have always generated far more in taxes than are earned in profit.

In the period ended 26 January 2025, the company generated taxes of £410.4 million.

The table below shows the £6.6 billion of tax revenue generated by the company, its staff and customers in the last ten and a half years.

Each pub, on average, generated £7.6 million in tax during that period. The tax generated by the company, during this period, equates to approximately 25.2 times the company's profits after tax.

Republic of Ireland pubs contributed €5.5 million of tax contributions during the year, of which €2.6 million related to VAT, €1.5 million alcohol duty and €1.1 million employment taxes.

	2025 H1 £m	2024 £m	2023 £m	2022 £m	2021 £m	2020 £m	2019 £m	2018 £m	2017 £m	2016 £m	2015 £m	TOTAL 2015 to 2025 H1 £m
VAT	199.2	394.7	372.3	287.7	93.8	244.3	357.9	332.8	323.4	311.7	294.4	**3,212.2**
Alcohol duty	81.7	163.7	166.1	158.6	70.6	124.2	174.4	175.9	167.2	164.4	161.4	**1,608.2**
PAYE and NIC	74.3	134.7	124.0	141.9	101.5	106.6	121.4	109.2	96.2	95.1	84.8	**1,189.7**
Business rates	21.5	41.3	49.9	50.3	1.5	39.5	57.3	55.6	53.0	50.2	48.7	**468.8**
Corporation tax	10.9	9.9	12.2	1.5	-	21.5	19.9	26.1	20.7	19.9	15.3	**157.9**
Corporation tax credit (historic capital allowances)	-	-	-	-	-	-	-	-	-	-	-2	**-2.0**
Fruit/slot Machine duty	8.8	16.7	15.7	12.8	4.3	9.0	11.6	10.5	10.5	11.0	11.2	**122.1**
Climate change levies	8.6	10.2	11.1	9.7	7.9	10.0	9.6	9.2	9.7	8.7	6.4	**101.1**
Stamp duty	0.6	1.1	0.9	2.7	1.8	4.9	3.7	1.2	5.1	2.6	1.8	**26.4**
Sugar tax	1.3	2.6	3.1	2.7	1.3	2.0	2.9	0.8	-	-	-	**16.7**
Fuel duty	0.9	2.0	1.9	1.9	1.1	1.7	2.2	2.1	2.1	2.1	2.9	**20.9**
Apprenticeship levy	2.0	2.5	2.5	2.2	1.9	1.2	1.3	1.7	0.6	-	-	**15.9**
Carbon tax	-	-	-	-	-	-	1.9	3.0	3.4	3.6	3.7	**15.6**
Premise licence and TV licences	0.3	0.5	0.5	0.5	0.5	1.1	0.8	0.7	0.8	0.8	1.6	**8.1**
Landfill tax	-	-	-	-	-	-	-	1.7	2.5	2.2	2.2	**8.6**
Insurance tax	0.3	0.3	0.2	0.2	0.2	0.2	0.2	0.2	0.1	0.1	-	**2.0**
Furlough tax	-	-	-	-4.4	-213.0	-124.1	-	-	-	-	-	**-341.5**
Eat out to help out	-	-	-	-	-23.2	-	-	-	-	-	-	**-23.2**
Local government grants	-	-	-	-1.4	-11.1	-	-	-	-	-	-	**-12.5**
TOTAL TAX	**410.4**	**780.2**	**760.4**	**666.9**	**39.1**	**442.1**	**765.1**	**730.7**	**695.3**	**672.4**	**632.4**	**6,595.0**
TAX PER PUB (£m)	**0.52**	**0.98**	**0.92**	**0.78**	**0.05**	**0.51**	**0.87**	**0.83**	**0.78**	**0.71**	**0.67**	**7.6**
TAX AS % OF NET SALES	**39.9%**	**38.3%**	**39.5%**	**38.3%**	**5.1%**	**35.0%**	**42.1%**	**43.1%**	**41.9%**	**41.8%**	**42.6%**	**37.1%**
PROFIT/(LOSS) AFTER TAX	**24.9**	**58.5**	**33.8**	**-24.9**	**-146.5**	**-38.5**	**79.6**	**83.6**	**76.9**	**56.9**	**57.5**	**261.8**

Note - this table is prepared on a cash basis. IFRS-16 from FY20 onward

Corporate governance

Wetherspoon has been a strong critic of the composition of the boards of UK-quoted companies.

Directors of UK PLCs have, on average, relatively little experience of the companies they govern, due to the "nine-year rule", which limits their tenure, combined with the fact that most directors are part-time, and have never worked for the company in question, on a full-time basis.

In addition, those responsible for overseeing governance, among institutional shareholders, are often responsible for several hundred companies each, making genuine board engagement impossible, and thereby necessitating a "tick-box" approach, which is the antithesis of good governance.

The combination of arbitrary rules, the preponderance of part-time directors and overloaded institutional governance departments means that bureaucracy and virtue-signalling, rather than innovation and efficacy, dominate most UK PLC boardrooms.

*In **appendix 3** below, further details are provided on this issue from our FY23 annual report.*

Further progress

In the period Wetherspoon awarded £20.4 million of bonuses and free shares to employees, of which 97.9% was paid to staff below board level and 86.3% was paid to staff working in our pubs.

The average length of service of a pub manager increased to 15.2 years, and of a kitchen manager is 11.2 years.

Wetherspoon has been recognised by the Top Employers Institute as a Top Employer United Kingdom 2025. It is the 20th time that Wetherspoon has been certified by the Top Employers' Institute.

251 pubs feature in the 2025 Good Beer Guide, an increase of 15 compared to last year.

In November 2023, Wetherspoon was voted the Best Airport Retailer for Food & Beverages at the British Travel Awards.

In August 2024, our national distribution centre in Daventry, operated by DHL, had its 20th anniversary. 27 of the original colleagues from 2004 are still working there. In addition, we opened a secondary warehouse in Rugby which, as well as acting as a business continuity solution, will allow for further company volume growth.

The company has an extensive training programme for its employees, including 'kitchen of excellence' training, as well as cellar, dispense and coffee academy training.

Wetherspoon has recently been included in the Financial Times 'FT - Statista Leaders 2025' report, which highlights Europe's leading companies in diversity and inclusion.

The company's UK nominated charity is Young Lives vs. Cancer (previously CLIC Sargent). It supports children and young people with cancer. Since our partnership began in 2002, Wetherspoon has raised over £24.4 million for the charity, thanks to the generosity and efforts of our customers and employees.

677 of the company's washrooms have been awarded the highest platinum or diamond statuses by the National Loo of the Year awards. The awards are aimed at highlighting and improving standards of away from home washrooms across the UK. The washrooms are judged against numerous criteria, including décor and maintenance, cleanliness, accessibility, handwashing and drying equipment and overall management.

In January 2024, the company was awarded the highest rating by the Sustainable Restaurant Association - the world's largest accreditation scheme for pubs and restaurants, see https://www.jdwetherspoon.com/wp-content/uploads/2025/03/pages-for-interim-report.pdf.

Wetherspoon came second in the 2024 'Out to Lunch' league table, compiled by the Soil Association. Restaurants and pubs are judged and scored on a range of criteria: family friendliness, healthy options, food quality, value, sustainability and ingredients' provenance.

Wetherspoon is seeking to extend the appeal of its menu. For example, 41% of the dishes on the menu that is available in the majority of pubs are vegetarian, 14% are vegan and 27% are under 500 calories.

Cod and haddock are sourced from fisheries which have been certified as well-managed and sustainable fisheries.

Wetherspoon uses 100% UK and Irish beef on its food menu, traceable from farm to fork.

100% of the eggs served on the menu are free range. All shell eggs are certified with the British Lion quality mark and are RSPCA assured, ensuring the highest standards of animal welfare.

Guinness have a 'Quality Accreditation Programme'. Independent assessors review 17 aspects of quality. 100% of pubs passed their Guinness accreditation.

Since 2008, Wetherspoon has invited brewers from overseas to feature their ales in its real-ale festivals. To date, these brewers have contributed 235 ales, from 147 breweries in 29 countries. In addition, the company works with over 250 UK brewers, mostly small or "micro" brewers.

Since 1999, Wetherspoon has worked with independent real-ale quality assessor Cask Marque to gauge the quality of ale being served in its pubs. Cask Marque carries out an 11-point audit covering stock rotation, beer line cleanliness, equipment maintenance, glasswashing cleanliness and hygiene. A star rating is awarded from 1 to 5, with a target of 4 to 5 stars for all pubs. Cask Marque state that 66% of UK pubs achieve 4 or 5 stars. 98.1% of Wetherspoon pubs have achieved 4 or 5 stars.

Sustainability, recycling and the environment

Wherever possible, Wetherspoon separates waste into nine streams: food waste; glass; tins/cans; cooking oil; paper/cardboard; plastic; lightbulbs; waste electrical and electronic equipment (WEEE); general waste and from December 2024 - Tetra Pak cartons

Wetherspoon's national distribution centre, at Daventry, also includes an in-house 24-hour recycling centre, with a dedicated workforce and specialist equipment. When making deliveries to pubs, lorries collect recycling, used cooking oil and reusable items for return to the recycling centre - so reducing the company's carbon footprint from reduced road miles.

4,562 tonnes of recyclable waste were processed in the first six months of this year at our national recycling centre. In addition, food waste is sent for 'anaerobic digestion' and used cooking oil is converted to biodiesel for agricultural use.

Automated meter readers for electricity and gas, which provide half hourly consumption data, are installed in the majority of pubs to facilitate energy consumption reporting. We are now also commencing a rollout of 100 automated meter readers for *pubs to facilitate energy consumption reporting. We are now also commencing a rollout of 100 automated meter readers for water in our highest consuming sites.*

Technologies such as Voltage Optimisation and solar are being trialled.

Bonuses and free shares

As indicated above, Wetherspoon has, for many years (see table below), operated a bonus and share scheme for all employees. Before the pandemic, these awards increased, as earnings increased for shareholders.

Financial year	Bonus and free shares £m	Profit/(loss) after tax[1] £m	Bonus and free shares as % of profits
2008	16	36	45%
2009	21	45	45%
2010	23	51	44%
2011	23	52	43%
2012	24	57	42%
2013	29	65	44%
2014	29	59	50%
2015	31	57	53%
2016	33	57	58%
2017	44	77	57%
2018	43	84	51%
2019	46	80	58%
2020	33	(39)	-
2021	23	(146)	-
2022	30	(25)	-
2023	36	34	106%
2024	49	59	83%
2025 H1	20	25	80%
Total[2]	**467**	**838**	**55.7%**

[1](IFRS-16 was implemented in the year ending 26 July 2020 (FY20). From this period all profit numbers in the above table are on a Post IFRS-16 basis. Prior to this date all profit numbers are on a Pre IFRS-16 basis.

[2] Excludes 2020, 2021 and 2022.

Length of service

The table below provides details of the improved retention levels of pub and kitchen managers, key areas for any pub company, in the last decade.

Financial year	Average pub manager length of service (Years)	Average kitchen manager length of service (Years)
2014	10.0	6.1
2015	10.1	6.1
2016	11.0	7.1
2017	11.1	8.0
2018	12.0	8.1
2019	12.2	8.1
2020	12.9	9.1
2021	13.6	9.6
2022	13.9	10.4
2023	14.3	10.6
2024	14.9	10.9
2025 H1	15.2	11.2

Food hygiene ratings

Wetherspoon has always emphasised the importance of hygiene standards.

We now have 734 pubs rated on the Food Standards Agency's website (see table below). The average score is 4.99, with 99.2% of the pubs (all but 6) achieving a top rating of five stars. We believe this to be the highest average rating for any substantial pub company.

In the separate Scottish scheme, which records either a 'pass' or a 'fail', all of our 55 pubs have passed.

Financial Year	Total pubs scored	Average rating	Pubs with highest rating %
2014	824	4.91	92.0
2015	858	4.93	94.1
2016	836	4.89	91.7
2017	818	4.89	91.8

2018	807	4.97	97.3
2019	799	4.97	97.4
2020	781	4.96	97.0
2021	787	4.97	98.4
2022	775	4.98	98.6
2023	753	4.99	99.2
2024	735	4.99	99.6
2025 H1	734	4.99	99.2

Property litigation

Some years ago, Wetherspoon took successful legal action for fraud against its own property advisors Van de Berg, who were found, by the court, to have diverted freehold properties to third parties, leaving Wetherspoon with an inferior leasehold interest.

Following the Van de Berg case, Wetherspoon instigated further legal actions against a number of individuals and companies who had freehold properties introduced to them by Van de Berg. Liability was denied by all. The cases were contested and settled out of court. Details can be found in ***appendix 4*** *below.*

Press corrections

In the febrile atmosphere of the first UK lockdown, a number of harmful inaccuracies were published in the press. A large number of corrections and apologies were received, as a result of legal representations by Wetherspoon.

In order to try to set the record straight, a special edition of Wetherspoon News was published, which includes details of the apologies and corrections. It can be found on the company's website:

(https://www.jdwetherspoon.com/wp-content/uploads/2024/08/Does-Truth-Matter_.pdf).

Pubwatch

As Wetherspoon has previously highlighted, Pubwatch is a forum which has improved wider town and city environments, by bringing together pubs, local authorities and the police, in a concerted way, to encourage good behaviour and to reduce antisocial activity.

Wetherspoon pubs are members of 532 schemes country wide, with 4 new schemes and 10 less schemes due to disposals.

The company also helps to fund National Pubwatch, founded in 1997 by just two licensees and a police office. This is the umbrella organisation which helps to set up, co-ordinate and support local schemes.

It is our experience that in some towns and cities, where the authorities have struggled to control antisocial behaviour, the setting up of a Pubwatch has been instrumental in improving safety and security - of not only licensed premises, but also the town and city in general, as well as assisting the police in bringing down crime.

Conversely, we have found, in several towns, including some towns on the outskirts of London, that the absence of an effective Pubwatch scheme results in higher incidents of crime, disorder and antisocial behaviour.

In our view, Pubwatch is integral to making towns and cities a safe environment for everyone.

World Health Organisation report

The company continues to be concerned about the possibility of further lockdowns and about the efficacy of the government enquiry into the pandemic, which will not be concluded for several years.

In contrast, the World Health Organisation (WHO) reported on its findings in 2022.

Professor Francois Balloux, director of the UCL Genetics Institute, writing in The Guardian, and Professor Robert Dingwall, of Trent University, writing in the Telegraph, provide useful synopses of the WHO report:

(see pages 54-56 of Wetherspoon News https://www.jdwetherspoon.com/wp-content/uploads/2024/04/Wetherspoon-News-autumn-2022.pdf)

The conclusion of Professor Balloux, broadly echoed by Professor Dingwall, based on an analysis by the World Health Organisation of the pandemic, is that Sweden (which did not lock down), had a Covid-19 fatality rate "of about half the UK's" and that "the worst performer, by some margin, is Peru, despite enforcing the harshest, longest lockdown."

Professor Balloux concludes that "the strength of mitigation measures does not seem to be a particularly strong indicator of excess deaths."

Current trading and outlook

In the last seven weeks, to 16 March 2025, like-for-like sales increased by 5.0%.

As previously indicated, increases in national insurance and labour rates will result in company cost increases of approximately £60 million per annum, which amount to approximately £1,500 per pub, per week.

Since labour costs are around 35% of the pub industry's sales, compared to around 11% for supermarkets, increases of this nature inevitably have a disproportionate impact on pubs, exacerbating the already-wide price differential for customers between the on and off-trade.

The combination of much higher VAT rates for pubs than supermarkets, combined with increased labour costs will weigh heavily on the pub industry.

The company currently anticipates a reasonable outcome for the financial year, subject to our future sales performance.

APPENDIX 1 Extract from Wetherspoon FY23 Annual report, Chairman's Statement

Business rates transmogrified to a sales tax

Business rates are supposed to be based on the value of the building, rather than the level of trade of the tenant. This should mean that the rateable value per square foot is approximately the same for comparable pubs in similar locations. However, as a result of the valuation approach adopted by the government "Assessor" in Scotland, Wetherspoon often pays far higher rates per square foot than its competitors.

This is highlighted (in the tables below) by assessments for the Omni Centre, a modern leisure complex in central Edinburgh, where Wetherspoon has been assessed at more than double the rate per square foot of the average of its competitors, and for The Centre in Livingston (West Lothian), a modern shopping centre, where a similar anomaly applies.

As a result of applying valuation practice from another era, which assumed that pubs charged approximately the same prices, the raison d'être of the rating system - that rates are based on property values, not the tenant's trade - has been undermined.

Similar issues are evident in Galashiels, Arbroath, Anniesland - and, indeed, at most Wetherspoon pubs in Scotland. In effect, the application of the rating system in Scotland discriminates against businesses like Wetherspoon, which have lower prices, and encourages businesses to charge higher prices. As a result, consumers are likely to pay higher prices, which cannot be the intent of rating legislation.

Omni Centre, Edinburgh			
Occupier Name	**Rateable Value (RV)**	**Customer Area (ft²)**	**Rates per square foot**
Playfair (JDW)	**£218,750**	**2,756**	**£79.37**
Unit 9 (vacant)	£48,900	1,053	£46.44
Unit 7 (vacant)	£81,800	2,283	£35.83
Frankie & Benny's	£119,500	2,731	£43.76
Nando's	£122,750	2,804	£43.78
Slug & Lettuce	£108,750	3,197	£34.02
The Filling Station	£147,750	3,375	£43.78
Tony Macaroni	£125,000	3,427	£36.48
Unit 6 (vacant)	£141,750	3,956	£35.83
Cosmo	£200,000	7,395	£27.05
Average (exc JDW)	**£121,800**	**3,358**	**£38.55**

The Centre, Livingston			
Occupier Name	**Rateable Value (RV)**	**Customer Area (ft²)**	**Rates per square foot**
The Newyearfield (JDW)	**£165,750**	**4,090**	**£40.53**
Paraffin Lamp	£52,200	2,077	£25.13
Wagamama	£67,600	2,096	£32.25
Nando's	£80,700	2,196	£36.75
Chiquito	£68,500	2,221	£30.84
Ask Italian	£69,600	2,254	£30.88
Pizza Express	£68,100	2,325	£29.29
Prezzo	£70,600	2,413	£29.26
Harvester	£98,600	3,171	£31.09
Pizza Hut	£111,000	3,796	£29.24
Hot Flame	£136,500	4,661	£29.29
Average (exc JDW)	**£82,340**	**2,721**	**£30.40**

In summary, as a result of the approach taken in Scotland, business rates for pubs are de facto a sales tax, rather than a property tax, as the above examples clearly demonstrate.

APPENDIX 2 Extract from Wetherspoon FY23 Annual report, Chairman's Statement:

VAT equality

As we have previously stated, the government would generate more revenue and jobs if it were to create tax equality among supermarkets, pubs and restaurants.

Supermarkets pay virtually no VAT in respect of food sales, whereas pubs pay 20%. This has enabled supermarkets to subsidise the price of alcoholic drinks, widening the price gap, to the detriment of pubs and restaurants. Pubs also pay around 20 pence a pint in business rates, whereas supermarkets pay only about 2 pence, creating further inequality.

Pubs have lost 50% of their beer sales to supermarkets in the last 35 or so years. It makes no sense for supermarkets to be treated more leniently than pubs, since pubs generate far more jobs per pint or meal than do supermarkets, as well as far higher levels of tax. Pubs also make an important contribution to the social life of many communities and have better visibility and control of those who consume alcoholic drinks.
.
Tax equality is particularly important for residents of less affluent areas, since the tax differential is more important there - people can less afford to pay the difference in prices between the on and off trade.

As a result, in these less affluent areas, there are often fewer pubs, coffee shops and restaurants, with less employment and increased high-street dereliction. Tax equality would also be in line with the principle of fairness - the same taxes should apply to businesses which sell the same products.

APPENDIX 3 Extract from Wetherspoon FY23 Annual report, Chairman's Statement

Corporate Governance

As a result of the 'nine-year rule', limiting the tenure of NEDs and the presumption in favour of 'independent', part-time chairmen, boards are often composed of short-term directors, with very little representation from those who understand the company best - people who work for it full time, or have worked for it full time.

Wetherspoon's review of the boards of major banks and pub companies, which teetered on the edge of failure in the 2008-10 recession, highlighted the short "tenure", on average, of directors.

In contrast, Wetherspoon noted the relative success, during this fraught financial period, of pub companies Fuller's and Young's, the boards of which were dominated by experienced executives, or former executives.

As a result, Wetherspoon increased the level of experience on the Wetherspoon board by appointing four "worker directors".

All four worker directors started on the 'shop floor' and eventually became successful pub managers. Three have been promoted to regional management roles. They have worked for the company for an average of 24 years.

promoted to regional management roles. They have worked for the company for an average of 24 years.

Board composition cannot guarantee future success, but it makes sensible decisions, based on experience at the coalface of the business, more likely.

The UK Corporate Governance Code 2018 (the 'Code') is a vast improvement on previous codes, emphasising the importance of employees, customers and other stakeholders in commercial success. It also emphasises the importance of its comply-or-explain ethos, and the consequent need for shareholders to engage with companies in order to understand their explanations.

A major impediment to the effective implementation of comply or explain seems to be the undermanning of the corporate governance departments of major shareholders.

For example, Wetherspoon has met a compliance officer from one major institution who is responsible for around 400 companies - an impossible task.

As a result, it appears that compliance officers and governance advisors, in practice, often rely on a "tick-box" approach, which is, itself, in breach of the Code.

A further issue is that many major investors, in their own companies, for sensible reasons, do not observe the nine-year rule, and other rules, themselves. An approach of "do what I say, not what I do" is clearly unsustainable.

APPENDIX 4 Extract from Wetherspoon FY23 Annual report, Chairman's Statement:

Property Litigation

In 2013, Wetherspoon agreed an out-of-court settlement of approximately £1.25 million with developer Anthony Lyons, formerly of property leisure agent Davis Coffer Lyons, relating to claims that Mr Lyons had been an accessory to frauds committed by Wetherspoon's former retained agent Van de Berg and its directors Christian Braun, George Aldridge and Richard Harvey in respect of properties in Leytonstone (which currently trades as the Walnut Tree), Newbury (which was leased to Café Rouge) and Portsmouth (which currently trades as The Isambard Kingdom Brunel).

Of these three properties, only Portsmouth was pleaded by Wetherspoon in its case 2008/9 case against Van de Berg. Mr Lyons denied the claim and the litigation was contested.

In the Van de Berg litigation, Mr Justice Peter Smith ruled that Van de Berg, but not Mr Lyons (who was not a party to the case), fraudulently diverted the freehold of Portsmouth from Wetherspoon to Moorstown Properties Limited, a company owned by Simon Conway, which leased the property to Wetherspoon.

As part of a series of cases, Wetherspoon also agreed out-of-court settlements with:

1) Paul Ferrari of London estate agent Ferrari Dewe & Co, in respect of properties referred to as the 'Ferrari Five' by Mr Justice Peter Smith in the Van de Berg case, and

2) Property investor Jason Harris, formerly of First London and now of First Urban Group who paid £400,000 to Wetherspoon to settle a claim in which it
was alleged that Harris was an accessory to frauds committed by Van de Berg. Harris contested the claim and did not admit liability.

Messrs Ferrari and Harris both contested the claims and did not admit liability.

INCOME STATEMENT for the 26 weeks ended 26 January 2025

J D Wetherspoon plc, company number: 1709784

	Notes	**Unaudited 26 weeks ended 26 January 2025 before separately disclosed items £000**	**Unaudited 26 weeks ended 26 January 2025 separately disclosed items £000**	**Unaudited 26 weeks ended 26 January 2025 after separately disclosed items £000**	Unaudited 26 weeks ended 28 January 2024 before separately disclosed items £000	Unaudited 26 weeks ended 28 January 2024 separately disclosed items £000	Unaudited 26 weeks ended 28 January 2024 after separately disclosed items £000
Revenue	1	**1,029,518**	**-**	**1,029,518**	990,954	-	990,954
Other operating income	2	**-**	**-**	**-**	-	4,356	4,356
Operating costs	2	**(964,691)**	**(1,806)**	**(966,497)**	(923,272)	-	(923,272)
Operating profit		**64,827**	**(1,806)**	**63,021**	67,682	4,356	72,038
Property gains/(losses)	2	**-**	**(825)**	**(825)**	88	(15,179)	(15,091)
Finance income	2	**1,256**	**11,107**	**12,363**	1,195	1,567	2,762
Finance costs	2	**(33,214)**	**-**	**(33,214)**	(32,931)	(636)	(33,567)
Profit/(loss) before tax		**32,869**	**8,476**	**41,345**	36,034	(9,892)	26,142
Income tax charge	4	**(7,988)**	**(1,131)**	**(9,119)**	(11,147)	3,653	(7,494)
Profit/(loss) for the period		**24,881**	**7,345**	**32,226**	24,887	(6,239)	18,648
Profit/(loss) per ordinary share (p)							
Basic	5	**21.5**	**6.3**	**27.8**	20.3	(5.1)	15.2

- Basic	5	**21.5**	**6.3**	**27.8**	20.3	(5.1)	15.2
- Diluted	5	**20.6**	**6.1**	**26.7**	19.6	(4.9)	14.7

STATEMENT OF COMPREHENSIVE INCOME for the 26 weeks ended 26 January 2025

	Notes	**Unaudited 26 weeks ended 26 January 2025 £000**	Unaudited 26 weeks ended 28 January 2024 £000	Audited 52 weeks ended 28 July 2024 £000
Items which will be reclassified subsequently to profit or loss:				
Interest rate swaps: gain taken to other comprehensive income	10	**-**	38	38
Interest rate swaps: loss reclassification to the income statement	10	**(6,986)**	(5,601)	(18,025)
Tax on items taken directly to other comprehensive income		**-**	-	-
Currency translation differences		**(596)**	(1,388)	(1,294)
Net loss recognised directly in other comprehensive income		**(7,582)**	(6,951)	**(7,582)**
Profit for the period		**32,226**	18,648	48,785
Total comprehensive profit for the period		**24,644**	11,697	29,504

CASH FLOW STATEMENT for the 26 weeks ended 26 January 2025

J D Wetherspoon plc, company number: 1709784	Note	**Unaudited 26 weeks ended 26 January 2025 £000**	**Unaudited free cash flow[1] 26 weeks ended 26 January 2025 £000**	Unaudited 26 weeks ended 28 January 2024 £000	Unaudited free cash flow[1] 26 weeks ended 28 January 2024 £000	Audited 52 weeks ended 28 July 2024 £000	Audited free cash flow[1] 52 weeks ended 28 July 2024 £000
Cash flows from operating activities							
Cash generated from operations	6	**115,230**	**115,230**	78,719	78,719	232,907	232,907
Interest received		**1,107**	**1,107**	1,053	1,053	1,765	1,765
Interest paid		**(25,100)**	**(25,100)**	(26,770)	(26,770)	(52,482)	(52,482)
Cash proceeds on termination of interest rate swaps		**-**	**-**	14,783	14,783	14,783	14,783
Corporation tax paid		**(10,858)**	**(10,858)**	(6,600)	(6,600)	(9,940)	(9,940)
Lease interest	11	**(7,254)**	**(7,254)**	(7,321)	(7,321)	(14,471)	(14,471)
Net cash flow from operating activities		**73,125**	**73,125**	53,864	53,864	172,562	172,562
Cash flows from investing activities							
Reinvestment in pubs		**(34,664)**	**(34,664)**	(33,612)	(33,612)	(76,389)	(76,389)
Reinvestment in business and IT projects		**(5,988)**	**(5,988)**	(975)	(975)	(6,243)	(6,243)
Investment in new pubs and pub extensions		**(10,375)**	**-**	(10,510)	-	(11,933)	-
Freehold reversions and investment properties		**(13,580)**	**-**	(12,122)	-	(21,944)	-
Proceeds of sale of property, plant and equipment		**5,686**	**-**	10,688	-	17,872	-
Net cash flow used in investing activities	-	**(58,921)**	**(40,652)**	(46,531)	(34,587)	(98,637)	(82,632)
Cash flows from financing activities							
Equity dividends paid		**(14,807)**	**-**	-	-	-	-
Purchase of own shares for cancellation		**(8,891)**	**-**	(34,081)	-	(39,505)	-

Purchase of own shares for share-based payments		**(11,763)**	**(11,763)**	(6,630)	(6,630)	(12,738)	(12,738)
Loan issue cost		**(294)**	**(294)**	-	-	(4,948)	(4,948)
Advances/(repayments) under bank loans		**60,000**	**-**	15,000	-	(4,000)	-
Other loan receivables		**391**	**-**	370	-	778	-
Lease principal payments	11	**(20,915)**	**(20,915)**	(18,729)	(18,729)	(39,207)	(39,207)
Asset-financing principal payments		**-**	**-**	(2,107)	-	(4,245)	-
Net cash flow from (used in) financing activities		**3,721**	**(32,972)**	(46,177)	(25,359)	(103,865)	(56,893)
Net change in cash and cash equivalents		**17,925**		(38,844)		(29,940)	
Opening cash and cash equivalents		**57,233**		87,173		87,173	
Closing cash and cash equivalents		**75,158**		48,329		57,233	
Free cash flow[1]			**(499)**		(6,082)		33,037

[1] Free cash flow is a measure not required by accounting standards; a definition is provided in the accounting policies within the 2024 Annual Report.

BALANCE SHEET as at 26 January 2025

J D Wetherspoon plc, company number: 1709784	Notes	**Unaudited 26 January 2025**	Unaudited 28 January 2024	Audited 28 July 2024
		£000	£000	£000
Assets				
Non-current assets				
Property, plant and equipment		**1,397,306**	1,374,806	1,374,617
Intangible assets		**6,902**	6,489	5,933
Investment property		**18,202**	18,652	18,290
Right-of-use assets	11	**367,864**	364,072	373,338
Other loan receivable		**803**	1,523	1,194
Derivative financial instruments	10	**314**	-	-
Lease assets	11	**9,374**	9,771	8,860
Total non-current assets		**1,800,765**	1,775,313	1,782,232
Current assets				
Lease assets	11	**1,066**	1,617	1,358
Assets held for sale	8	**1,500**	1,750	2,488
Inventories		**31,460**	29,374	28,404
Receivables		**27,276**	27,543	26,576
Current income tax receivables		**4,837**	6,301	6,079
Cash and cash equivalents		**75,158**	48,329	57,233
Total current assets		**141,297**	114,914	122,138
Total assets		**1,942,062**	1,890,227	1,904,370
Current liabilities				
Borrowings	9	**-**	(2,093)	-
Derivative financial instruments	10	**(78)**	-	(701)
Trade and other payables		**(300,364)**	(281,294)	(298,059)
Provisions		**(1,382)**	(2,817)	(3,047)
Lease liabilities	11	**(47,629)**	(48,413)	(49,582)
Total current liabilities		**(349,453)**	(334,617)	(351,389)
Non-current liabilities				
Borrowings	9	**(779,540)**	(742,879)	(719,134)
Derivative financial instruments	10	**(889)**	(9,116)	(4,073)
Deferred tax liabilities		**(56,660)**	(64,359)	(59,487)
Lease liabilities	11	**(363,183)**	(369,938)	(368,660)
Total non-current liabilities		**(1,200,272)**	(1,186,292)	(1,151,354)
Total liabilities		**(1,549,725)**	(1,520,909)	(1,502,743)
Net assets		**392,337**	369,318	401,627
Shareholders' equity				
Share capital		**2,435**	2,485	2,472
Share premium account		**143,170**	143,170	143,170
Capital redemption reserve		**2,477**	2,337	2,440
Other reserves		**168,764**	234,669	195,074

Other reserves	[illegible]	[illegible]	[illegible]
Hedging reserve	**6,808**	26,218	13,794
Currency translation reserve	**(378)**	578	106
Retained earnings	**69,061**	(40,139)	44,571
Total shareholders' equity	**392,337**	369,318	401,627

STATEMENT OF CHANGES IN EQUITY

J D Wetherspoon plc, company number: 1709784

	Notes	Share capital £000	Share premium account £000	Capital redemption reserve £000	Other Reserves £000	Hedging reserve £000	Currency translation reserve £000	Retained earnings £000	**Total £000**
As at 28 January 2024 as previously reported		**2,485**	**143,170**	**2,337**	**234,669**	**26,218**	**578**	**(40,139)**	**369,318**
Effect of restatements[1]		-	-	-	-	-	-	13,600	13,600
Restated[1] as at 28 January 2024		**2,485**	**143,170**	**2,337**	**234,669**	**26,218**	**578**	**(26,539)**	**382,918**
Total comprehensive income		-	-	-	-	(12,424)	(472)	30,703	17,807
Profit for the period		-	-	-	-		-	30,137	30,137
Interest rate swaps: amount reclassified to the income statement		-	-	-	-	(12,424)	-	-	(12,424)
Currency translation differences		-	-	-	-	-	(472)	566	94
Purchase of own shares and cancellation		(13)	-	103	(39,595)	-	-	39,458	(47)
Share-based payment charges		-	-	-	-	-	-	7,008	7,008
Tax on share-based payment	4	-	-	-	-	-	-	49	49
Purchase of own shares for share-based payments		-	-	-	-	-	-	(6,108)	(6,108)
As at 28 July 2024		**2,472**	**143,170**	**2,440**	**195,074**	**13,794**	**106**	**44,571**	**401,627**
Total comprehensive income		-	-	-	-	(6,986)	(484)	32,114	24,644
Profit for the period		-	-	-	-		-	32,226	32,226
Interest rate swaps: amount reclassified to the income statement		-	-	-	-	(6,986)	-	-	(6,986)
Currency translation differences		-	-	-	-	-	(484)	(112)	(596)
Purchase of own shares and cancellation		(37)	-	37	(11,503)	-	-	-	(11,503)
Share-based payment charges		-	-	-	-	-	-	4,295	4,295
Tax on share-based payment	4	-	-	-	-	-	-	(156)	(156)
Purchase of own shares for share-based payments		-	-	-	-	-	-	(11,763)	(11,763)
Dividends		-	-	-	(14,807)	-	-	-	(14,807)
As at 26 January 2025		**2,435**	**143,170**	**2,477**	**168,764**	**6,808**	**(378)**	**69,061**	**392,337**

[1]Restated 30 July 2023. See accounting policies in Annual Report 2024.

The share premium account represents those proceeds received in excess of the nominal value of new shares issued.

The capital redemption reserve represents the nominal amount of share capital repurchased and cancelled in previous periods.

Other reserves contain net proceeds received for share placements which took place in previous periods. The other reserve is determined to be distributable for the purposes of the Companies Act 2006.

During the year, 1,840,000 shares were repurchased by the company and cancelled at a cost of £11.5 million (£2.6 million of which was paid after 26 January 2025 and has been treated as a current liability in the balance sheet), including fees, representing an average cost per share of 621p.

See note 10 for details on the hedging reserve.

The currency translation reserve contains the accumulated currency gains and losses on the long-term financing and balance sheet translation of the overseas branch. The currency translation difference reported in retained earnings is the retranslation of the opening reserves in the overseas branch at the current period end's currency exchange rate.

As at 26 January 2025, the company had distributable reserves of £244.3 million (2024: restated £234.9 million).

NOTES TO THE FINANCIAL STATEMENTS

1. Revenue

	Unaudited 26 weeks ended 26 January 2025 £000	Unaudited 26 weeks ended 28 January 2024 £000	Audited 52 weeks ended 28 July 2024 £000
Bar	**588,626**	570,810	1,167,450
Food	**392,490**	374,714	773,002
Slot/fruit machines	**35,490**	32,232	66,886
Hotel	**11,202**	12,131	25,337
Other	**1,710**	1,067	2,825
	1,029,518	990,954	2,035,500

2. Separately disclosed items

	Unaudited 26 weeks ended 26 January 2025 £000	Unaudited 26 weeks ended 28 January 2024 £000
Operating items		
Government grants	**-**	14
Depreciation adjustment on impaired assets	(968)	4,139
Other	(838)	203
Total operating (loss)/profit	**(1,806)**	**4,356**
Property losses		
Disposal programme		
Loss on disposal of pubs	(2,160)	(5,913)
	(2,160)	(5,913)
Other property (gains)/losses		
Impairment of assets under construction	**-**	(4,583)
Impairment of property, plant and equipment	(2,489)	(5,848)
Reversal of property, plant and equipment impairment	3,914	358
Impairment of right-of-use assets	(413)	-
Reversal of right-of-use assets impairment	323	807
	1,335	(9,266)
Total property losses	**(825)**	**(15,179)**
Other items		
Finance costs	-	(636)
Finance income	11,107	1,567
	11,107	**931**
Taxation		
Tax effect on separately disclosed items	(1,131)	3,653
	(1,131)	**3,653**
Total separately disclosed items	**7,345**	**(6,239)**

2. Separately disclosed items (continued)

Operating items
Local government support grants
The company has not received any government grants in the period (2024: £14,000 associated with the COVID-19 pandemic).

Depreciation adjustment on impaired assets
An adjustment of £968,000 for previously under charged depreciation on impaired fixed assets has been recognised this period. In 2024, income of £4,139,000 was recognised due to an overcharge of depreciation relating to previously impaired fixed assets and right-of-use assets.

Other

Other
Costs of £838,000 (2024: income of £203,000) have been recognised in the period, relating to:

- £568,000 (2024: nil) of employee settlement agreements.
- £139,000 (2024: nil) due to a historic VAT correction.
- £72,000 (2024: £517,000) relating to a contractual dispute with a large supplier which is now resolved.
- £59,000 (2024: nil) relating to property expenditure the company deems to be outside the usual course of business and therefore classified as separately disclosed items.
- In the prior period, other income of £1,402,000 was recognised relating to a settlement agreement offset by costs of £682,000 in relation to a historic employment tax issue and costs of £517,000, as mentioned above.

Property losses
Costs classified under the 'loss on disposal of pubs' relate to sites sold or surrendered during the period.

Other property (gains)/losses
Property impairment relates to pubs which are deemed unlikely to generate sufficient cash flows in the future to support their carrying value. In the period, the company recognised a total impairment reversal of £1,335,000 (2024: charge of £9,266,000).

Separately disclosed finance costs and income
The separately disclosed finance costs in the prior period of £636,000 relate to interest rate swaps.

A credit of £4,120,000 (2024: charge of £6,237,000) relates to the fair value movement on interest rate swaps. Income of £6,987,000 (2024: income of £176,000) relates to the amortisation of the hedge reserve to the P&L relating to discontinued hedges. No hedge ineffectiveness has been recognised in the period (2024: income of £5,425,000).

Included within separately disclosed finance income during the 26 weeks ended 28 January 2024 is the reversal of overcharged
interest relating to IFRS-16 leases, of £1,567,000.

Taxation
The tax effect on separately disclosed items is a cost of £1,131,000 (2024: income of £3,653,000).

3. Employee benefits expenses

	Unaudited 26 weeks ended 26 January 2025 £000	Unaudited 26 weeks ended 28 January 2024 £000
Wages and salaries	**371,229**	345,684
Employee support grants	**-**	(289)
Social security costs	**23,307**	21,506
Other pension costs	**6,396**	5,682
Share-based payments	**4,295**	4,013
	405,227	376,596

Employee support grants disclosed above are amounts claimed by the company under the coronavirus job retention schemes in the UK and the Republic of Ireland.

	Unaudited 2025 Number	Unaudited 2024 Number
Full-time equivalents		
Head office	**399**	382
Pub managerial	**4,686**	4,490
Pub hourly paid staff	**19,208**	19,593
	24,293	24,465

	2025 Number	2024 Number
Total employees		
Head office	**405**	382
Pub managerial	**5,005**	4,744
Pub hourly paid staff	**36,599**	36,628
	42,009	41,754

The totals above relate to the monthly average number of employees during the period, not the total of employees at the end of the period.

Share-based payments	**Unaudited 26 weeks ended 26 January 2025**	Unaudited 26 weeks ended 28 January 2024

Shares awarded during the year (shares)	**2,085,491**	1,548,446
Average price of shares awarded (pence)	**723**	658
Market value of shares vested during the year (£000)	**6,116**	4,835
Share awards not yet vested (£000)	**20,662**	15,116

The shares awarded as part of the above schemes are based on the cash value of the bonuses at the date of the awards. These awards vest over three years, with their cost spread over their three-year life. The share-based payment charge above represents the annual cost of bonuses awarded over the past three years. All awards are settled in equity.

The company operates two share-based compensation plans. In both schemes, the fair values of the shares granted are determined by reference to the share price at the date of the award. The shares vest at a £Nil exercise price - and there are no market-based conditions to the shares which affect their ability to vest.

4. Income tax expense

The taxation charge for the 26 weeks ended 26 January 2025 is based on the pre-separately disclosed items profit before tax of £32.9 million and the estimated effective tax rate before separately disclosed items for the 26 weeks ended 26 January 2025 of 24.3% (28 July 2024: 20.5%). This comprises a pre-separately disclosed current tax rate of 16.5% (28 July 2024: 3.9%) and a pre-separately disclosed deferred tax charge of 7.8% (28 July 2024: 20.5% charge).

The UK standard weighted average tax rate for the period is 25% (2024: 25%).

The exceptional current tax charge relates entirely to the tax on profit crystallised when terminating interest rate SWAP contracts. For tax purposes the profits are spread over the remaining life of the underlying hedged item which results in the high exceptional ETR in the current period. A deferred tax liability is recognised in respect of this item.

	Unaudited 26 weeks ended 26 January 2025 before separately disclosed items £000	**Unaudited 26 weeks ended 26 January 2025 after separately disclosed items £000**	Unaudited 26 weeks ended 28 January 2024 before separately disclosed items £000	Unaudited 26 weeks ended 28 January 2024 after separately Disclosed Items £000	Audited 52 weeks ended 28 July 2024 before separately disclosed Items £000	Audited 52 weeks Ended 28 July 2024 after separately disclosed Items £000
Taken through income statement						
Current income tax:						
Current income tax charge	**5,410**	**12,178**	75	8,895	2,901	15,307
Previous period adjustment	**-**	**-**	-	(245)	-	(3,043)
Total current income tax	**5,410**	**12,178**	75	8,650	2,901	12,264
Deferred tax:						
Origination and reversal of temporary differences	**2,578**	**(2,518)**	11,072	(1,156)	12,460	(704)
Prior year deferred tax credit	**-**	**(541)**	-	-	-	275
Total deferred tax	**2,578**	**(3,059)**	11,072	(1,156)	12,460	(429)
Tax charge	**7,988**	**9,119**	11,147	7,494	15,361	11,835
Taken through equity						
Current tax	**(78)**	**(78)**	(52)	(52)	(52)	(52)
Deferred tax	**234**	**234**	(186)	(186)	(235)	(235)
Tax credit	**156**	**156**	(238)	(238)	(287)	(287)
Taken through comprehensive income						
Deferred tax charge on swaps	-	-	-	-	-	-
Tax (credit)/charge	-	-	-	-	-	-

For periods commencing on or after 1 January 2024, additional reporting requirements will apply to ensure that the effective tax
rate will be at least 15% in all countries, subject to various complex calculations. This is in line with the minimum taxation rules
announced by the G7 and progressed by the OECD Inclusive Framework on Base Erosion and Profit Sharing. These rules have
been implemented in the UK via the Multinational Top Up Tax legislation during the year and will first apply to the accounting
period ending 27 July 2025.

Historically the company's effective tax rate has been above 15%. However, the company does operate in Ireland where the corporation tax rate is below 15%. The group has assessed the exposure to Multinational Top Up Taxes and any impact will be immaterial.

The company applies the exception to recognising and disclosing information about deferred tax assets and liabilities related to Pillar Two income taxes, as provided in the amendments to IAS 12 issued in May 2023.

5. Earnings per share

Weighted average number of shares

Basic earnings/(loss) per share is calculated by dividing the profit/(loss) after tax for the period by the weighted average number of ordinary shares in issue during the financial year of 122,316,552 (2024: 127,671,463) less the weighted average number of shares held in trust during the financial year of 1,541,173 (2024: 4,618,943). Shares held in trust are shares purchased by the company to satisfy employee share schemes that have not yet vested.

Diluted earnings/(loss) per share is calculated by dividing the profit/(loss) after tax for the period by the weighted average number of ordinary shares in issue during the financial year adjusted for both shares held in trust and the effects of potentially dilutive shares. For the company, the dilutive shares are those that relate to employee share schemes that have not been purchased in advance and have not yet vested. In the event of making a loss during the year, the diluted loss per share is capped at the basic earnings per share as the impact of dilution cannot result in a reduction in the loss per share.

Weighted average number of shares	**Unaudited 26 weeks ended 26 January 2025**	Unaudited 26 weeks ended 28 January 2024	Audited 52 weeks ended 28 July 2024
Shares in issue	**122,316,552**	127,671,463	125,291,770
Shares held in trust	**(6,467,650)**	(4,618,943)	(4,956,072)
Shares in issue - Basic	**115,848,902**	123,052,520	120,335,698
Dilutive shares[1]	**5,007,628**	3,466,567	4,693,614
Shares in issue - Diluted	**120,856,530**	126,519,087	125,029,312

Earnings / (loss) per share

26 weeks ended 26 January 2025 unaudited	Profit/(loss) £000	Basic EPS pence	Diluted EPS pence
Earnings (profit after tax)	**32,226**	27.8	26.7
Exclude effect of separately disclosed items after tax	**(7,345)**	(6.3)	(6.1)
Earnings before separately disclosed items	**24,881**	21.5	20.6
Underlying earnings before separately disclosed	**24,881**	21.5	20.6

26 weeks ended 28 January 2024 unaudited	Profit/(loss) £000	Basic EPS pence	Diluted EPS pence[1]
Earnings (profit after tax)	18,648	15.2	14.7
Exclude effect of separately disclosed items after tax	6,239	5.1	4.9
Earnings before separately disclosed items	24,887	20.3	19.6
Exclude effect of property gains/(losses)	(88)	(0.1)	(0.1)
Underlying earnings before separately disclosed	24,799	20.2	19.5

Free cash flow per share	Free cash flow £000	Basic free cash flow per share pence	Diluted free cash flow per share pence
26 weeks ended 26 January 2025 unaudited	**(499)**	**-0.4**	**-0.4**
26 weeks ended 28 January 2024 unaudited	(6,082)	-4.9	-4.8
52 weeks ended 28 July 2024	33,037	27.5	26.4

6. Cash used in/generated from operations

	Unaudited 26 weeks ended 26 January 2025 £000	Unaudited 26 weeks ended 28 January 2024 £000	Audited 52 weeks ended 28 July 2024 £000

	£000	£000	£000
Profit for the period	**32,226**	18,648	48,785
Adjusted for:			
Tax (note 4)	**9,119**	7,494	11,835
Share-based charges (note 3)	**4,295**	4,013	11,021
Loss on disposal of property, plant and equipment	**2,652**	5,964	14,978
Disposal of capitalised leases & Lease premiums	**(491)**	(1,619)	(1,519)
Net impairment (reversal)/charge (note 2)	**(1,335)**	9,266	19,098
Interest payable & receivable	**24,010**	25,718	50,717
Lease interest (note 11)	**7,254**	5,782	14,471
Separately disclosed Interest (note 2)	**(11,107)**	636	(16,131)
Amortisation of bank loan issue costs	**699**	236	439
Depreciation and amortisation	**56,044**	49,675	102,382
Aborted properties costs	**12**	397	336
Foreign exchange movements	**(596)**	(1,388)	(1,294)
	122,782	124,822	255,118
Change in inventories	**(3,056)**	5,184	6,154
Change in receivables	**(711)**	(312)	707
Change in payables	**(3,785)**	(50,975)	(29,072)
Cash generated from operations	**115,230**	**78,719**	**232,907**

7. Analysis of change in net debt

	Unaudited 28 January 2024 £000	Cash flows £000	Other changes £000	Audited 28 July 2024 £000	Cash flows £000	Other changes £000	Unaudited 26 January 2025 £000
Borrowings							
Cash and cash equivalents	**48,329**	8,904	-	**57,233**	17,925	-	**75,158**
Other loan receivable - before one year	**797**	(81)	-	**716**	-	-	**716**
Asset-financing obligations - before one year	**(2,093)**	2,138	(45)	**-**	-	-	**-**
Current net borrowings	**47,033**	10,961	(45)	**57,949**	17,925	-	**75,874**
Bank loans - due after one year	**(644,996)**	23,948	(181)	**(621,229)**	(59,706)	(677)	**(681,612)**
Asset-financing obligations - after one year	**-**	-	-	**-**	-	-	**-**
Other loan receivable - after one year	**1,607**	(312)	(101)	**1,194**	(391)	-	**803**
Private placement - after one year	**(97,883)**	-	(22)	**(97,905)**	-	(23)	**(97,928)**
Non-current net borrowings	**(741,272)**	23,636	(304)	**(717,940)**	(60,097)	(700)	**(778,737)**
Net debt	**(694,239)**	34,597	(349)	**(659,991)**	(42,172)	(700)	**(702,863)**
Derivatives							
Interest rate swaps asset - after one year	**-**	(14,783)	14,783	**-**	-	314	**314**
Interest rate swaps liability - within one year	**-**	-	(701)	**(701)**	-	623	**(78)**
Interest rate swaps liability - after one year	**(9,116)**	-	5,043	**(4,073)**	-	3,184	**(889)**
Total derivatives	**(9,116)**	(14,783)	19,125	**(4,774)**	-	4,121	**(653)**
Net debt after derivatives	**(703,355)**	19,814	18,776	**(664,765)**	(42,172)	3,421	**(703,516)**
Leases							
Lease assets - before one year	**1,617**	(549)	290	**1,358**	(582)	290	**1,066**
Lease assets - after one year	**9,771**	-	(911)	**8,860**	-	514	**9,374**
Lease obligations - before one year	**(48,413)**	21,027	(22,196)	**(49,582)**	21,497	(19,544)	**(47,629)**
Lease obligations - after one year	**(369,938)**	-	1,278	**(368,660)**		5,477	**(363,183)**
Net lease liabilities	**(406,963)**	20,478	(21,539)	**(408,024)**	20,915	(13,263)	**(400,372)**
Net debt after derivatives and lease liabilities	**(1,110,318)**	40,292	(2,763)	**(1,072,789)**	(21,257)	(9,842)	**(1,103,888)**

Lease obligations represent long-term payables, while lease assets represent long-term receivables - both are, therefore, disclosed in the table above.

The non-cash movement in bank loans and the private placement relate to the amortisation of loan issue costs. These are arrangement fees paid in respect of new borrowings and are charged to the income statement over the expected life of the loans.

The movement in interest rate swaps relates to the change in the 'mark to market' valuations for the year for swaps subject to hedge accounting.

8. Assets held for sale

These relate to situations in which the company had exchanged contracts to sell a property, but the transaction is not yet complete. As at 26 January 2025, one site was classified as held for sale (28 July 2024: four sites)

	Unaudited 26 January 2025 £000	Unaudited 28 January 2024 £000	Audited 28 July 2024 £000
Property, plant and equipment	**1,500**	1,750	2,488

9. Borrowings

	Unaudited 26 January 2025 £000	Unaudited 28 January 2024 £000	Audited 28 July 2024 £000
Current (due within one year)			
Other			
Lease liabilities	**47,629**	48,413	49,582
Asset-financing obligations	**-**	2,093	-
Total current borrowings (including lease liabilities)	**47,629**	50,506	49,582
Non-current (due after one year)			
Bank loans			
Variable-rate facility	**686,000**	645,000	626,000
Unamortised bank loan issue costs	**(4,388)**	(4)	(4,771)
	681,612	644,996	621,229
Private placement			
Fixed-rate facility	**98,000**	98,000	98,000
Unamortised private placement issue costs	**(72)**	(117)	(95)
	97,928	97,883	97,905
Other			
Lease liabilities	**363,183**	369,938	368,660
Asset-financing	**-**	-	-
	363,183	369,938	368,660
Total non-current borrowings (including lease liabilities)	**1,142,723**	1,112,817	1,087,794
Total borrowings (including lease liabilities)	**1,190,352**	1,163,323	1,137,376

Lease liabilities

The carrying amounts of lease liabilities and the movements during the period are outlined in note 11.

Asset-financing obligations

Asset-financing obligations relate to asset finance leases of equipment in pubs.

Variable-rate facility

The company refinanced during 2024 and now has a combined revolving credit facility of £529 million and term loan of £311 million (28 July 2024: combined revolving credit facility of £529 million and term loan of £311 million). There was no cash flow impact on refinancing, given that the new agreement was a continuation of the previous facility. As at 26 January 2025, £686 million was drawn down (28 July 2024: £626 million). There are 13 participating lenders. The current facility of £840 million matures in June 2028. The company has hedged its interest rate liabilities to its banks by swapping the floating-rate debt into fixed-rate debt, see note 10.

Unamortised bank loan issue costs

Unamortised bank loan issue costs primarily relate to refinancing, securing and extending the variable-rate facility.

Private placement

The fixed-rate facility relates to senior secured notes of £98 million. The notes mature in 2026.

The company has an overdraft facility of £10 million, which is undrawn as at 26 January 2025.

10. Financial instruments

The below table outlines the movements in fair value among the hedging reserve, comprehensive income and the income statement during the year.

	Unaudited	Audited

Interest rate swaps	26 January 2025 £000	28 July 2024 £000
Carrying value of derivative financial instruments - Non-current and current liability	**(967)**	(4,774)
Carrying value of derivative financial instruments - Non-current asset	**314**	-
Change in fair value of continuing derivatives	**4,120**	4,774
Change in fair value of discontinued derivatives	**-**	11,866
Hedge (gain)/loss recognised in comprehensive income in respect of continuing hedges	**-**	(38)
Losses/(gains) recognised in P&L in respect of hedges held at fair value through the profit or loss	**(4,120)**	1,894
Transaction proceeds received in respect of terminated hedges (net of termination fees)	**-**	14,783
Amortisation to P&L of cashflow hedge reserve relating to discontinued hedge relationship	**(6,986)**	(18,025)
Hedging reserve balance in respect of discontinued hedges	**(6,808)**	(13,794)

Hedging Reserve		
Opening	**(13,794)**	(31,781)
Hedging (gains)/losses recognised in comprehensive income	**-**	(38)
Hedge ineffectiveness reclassified from the reserves to the P&L in respect of terminated swaps	**-**	-
Amortisation to P&L of cashflow hedge reserve relating to discontinued hedge relationships	**6,986**	18,025
Deferred tax posted to comprehensive income	**-**	-
Closing	**(6,808)**	(13,794)

At the beginning of the reporting period, the company had two interest rate swaps in place. No hedge accounting was
applied to these interest rate swaps. During the 26 weeks ended 26 January 2025, seven further interest rate swaps were taken out, designated as two relationships.

The hedge reserve of £6.8 million is made up of fair value relating to hedges which have previously been derecognised/discontinued (28 July 2024: £13.8 million).

11. Leases

The following amounts, relating to lease cash flows, were debited/credited to the income statement during the period.

Rent Cash flow Analysis	Unaudited 26 January 2025 £000	Audited 28 July 2024 £000
Cash outflows relating to capitalised leases	**28,913**	54,921
Expense relating to short term leases	**422**	593
Expense relating to variable element of concessions	**7,847**	16,905
Total rent cash outflows for period	**37,182**	72,419
Cash inflows relating to capitalised leases	**(743)**	(1,243)
Income relating to lessor sites	**(2,077)**	(2,711)
Total rent cash Inflows for period	**(2,820)**	(3,954)

The balance sheet shows the following amounts relating to leases. These have been reconciled in sections (a) to (d) below:

	Unaudited 26 January 2025 £000	Audited 28 July 2024 £000
Right-of-use asset[1] (a)	**367,864**	373,338
Non-current lease asset	9,374	8,860
Current lease assets	1,066	1,358
Total lease assets[2] (b) (d)	**10,440**	10,218
Current lease liability	(47,629)	(49,582)
Non-current lease liability	(363,183)	(368,660)
Total lease liability[1] (c) (d)	**(410,812)**	(418,242)

[1]Right-of-use assets and lease liabilities relate to leasehold properties occupied by J D Wetherspoon.

[2]Lease assets relate to leasehold properties sublet by J D Wetherspoon.

11. Leases (continued)

(a) Right-of-use assets

Set out below are the carrying amounts of right-of-use assets recognised and the movements during the period:

	£000
Net book amount as at 28 July 2024	**373,338**
Adjustments within the period:	
Additions	9,547
Disposals due to new subleases	(1,276)
Remeasurement	11,725
Freehold reversions transferred to property, plant and equipment	(6,195)
Disposals and derecognised leases	-
Impact of lease adjustments	**13,801**
Amortisation and Impairment	
Provided during the period	(19,192)
Exchange differences	8
Impairment loss	(415)
Reversal of impairment losses	324
Amortisation and Impairment	**(19,275)**
Net book amount at 26 January 2025	**367,864**

During the period, additions related to five new signed lease contracts and one new signed sublease contract. 12 were remeasured as a result of changes in the agreed payments under the lease contracts and changes in the lease terms. Exchange differences occur as a result of translating the capitalised leases in the Republic of Ireland. Five freehold reversions took place in the year, while there was one disposal. As at the time of this interim report, lease additions totalled £9,547,000 and depreciation £19,192,000.

(b) Sublet lease assets

	Unaudited 26 January 2025 £000	Audited 28 July 2024 £000
Lease asset as at commencement of period	**10,219**	9,811
Additions	**1,399**	1,900
Remeasurements of leases	**(596)**	(516)
Interest due in period	**161**	267
Total cash Inflow for leases in period	**(743)**	(1,243)
At 26 January 2025	**10,440**	10,219

The incremental borrowing rate applied to lease liabilities and assets was 1.94 - 5.75% depending on the lease's length.

Set out below are the carrying amounts of the lease assets recognised and the movement during the period. The company sublets several of its leases, with lease assets being the capitalised future rent receivable from sublet sites.

11. Leases (continued)

(c) Lease liability

	Unaudited 26 January 2025 £000	Audited 28 July 2024 £000
Lease liability as at commencement of period	**(418,242)**	(443,280)
Additions	(9,404)	(8,617)
Freehold reversions transferred to property, plant and equipment	6,764	6,764
Remeasurements of leases	(11,437)	(22,458)

Remeasurements of leases	[illegible]	[illegible]
Disposals and derecognised leases	-	2,081
Exchange differences	10	(330)
Lease liabilities before payments	**(432,309)**	(458,425)
Interest payable in period:		
Interest expense within period (discounting element)	(7,415)	(14,738)
Total cash outflow for leases in period:		
Lease payment commitments for period	28,912	54,921
Net principal payments	**21,497**	40,183
Lease liability as at closing of period	**(410,812)**	(418,242)

Future rent payments could change as a result of open-market rent reviews or options being exercised to terminate a lease early. Any changes in the minimum unavoidable lease payments will be included as a remeasurement of the lease liability. The accounting policies within the 2024 Annual Report further describe the policy in relation to the termination of leases.

(d) Lease maturity profile

Set out below are the remaining maturities (period between the balance sheet date and the end of the lease) of the lease liabilities and lease assets, which are undiscounted:

	Lease liabilities		**Lease assets**	
	26 January 2025	28 July 2024	**26 January 2025**	28 July 2024
	£000	£000	**£000**	£000
Within one year	**47,629**	49,582	**(1,066)**	(1,358)
Between one and five years	**169,341**	171,644	**(5,715)**	(5,130)
After five years	**337,793**	335,859	**(5,245)**	(5,270)
Lease commitments payable / receivable	**554,763**	557,085	**(12,026)**	(11,758)
Discounting	**(143,951)**	(138,843)	**1,586**	1,540
Lease liability / lease asset	**410,812**	418,242	**(10,440)**	(10,218)

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