

2 December 2025

Topps Tiles Plc
Annual Financial Results

Topps Tiles Plc ("Topps Group", the "Company" or the "Group"), the UK's leading tile specialist, announces its unaudited consolidated annual financial results for the 52 weeks ended 27 September 2025.

Strategic and Operational Highlights

- Market beating performance with clear progress towards our goal of 'Mission 365' - new record year of sales at £295.8 million and 40% of revenue growth goal achieved
- Strong strategic progress against five key areas of growth - category expansion, Topps Tiles trader digital experience, business-to-business, Pro Tiler, and Tile Warehouse
- Trade growth of 28.3% year-on-year (+14.3% excluding CTD), trade sales now approximately 75% of Group sales
- Group digital penetration (excluding CTD) of 21.1%, up from 18.5% in FY24
- CTD - CMA investigation concluded, requirement to dispose of four stores - three complete with one imminent, 22 stores remaining, operations fully integrated, growth plans developed and business to move into profit in FY26
- The Group has acquired the Fired Earth brand, IP, website and an estimated £2.5 million of stock for a consideration of £3 million in November 2025, adding a complementary premium brand to the Group
- New CEO, Alex Jensen, to assume full responsibility on 8 December, as current CEO Rob Parker retires from the business.
- CFO appointment - Caroline Browne joining in spring 2026. Currently Group Finance & Investor Relations Director at Watches of Switzerland Group Plc. Previous roles include Group Financial Controller at Next Plc and senior finance positions at Boots.

Financial Highlights

- Adjusted revenue¹ up 6.8% to £265.4 million, with each part of the business delivering growth
- Adjusted profit before tax¹ up 46.0% at £9.2 million, with adjusted* EPS¹ up 43.5% to 3.43 pence per share
- Final dividend proposed of 2.1 pence, full year of 2.9 pence, representing a payout ratio of 85% of adjusted EPS, a 20.8% increase YoY
- Dividend supported by robust balance sheet with adjusted net cash of £7.4m at the period end, and £30 million banking facility committed until October 2027
- Statutory revenue up 17.5% to £295.8 million, including sales of £30.3 million from CTD
- Statutory profit before tax £8.3 million (FY24: loss before tax of £16.2 million) including CTD related costs, a material write back of IFRS 16 related impairments and management transition costs

	52 weeks ended 27 September 2025 (FY25)	52 weeks ended 28 September 2024 (FY24)	YoY
Adjusted Measures			
Adjusted revenue ¹	265.4	248.5	+6.8%
Topps Tiles like-for-like revenue year on year ²	+5.3%	(9.1)%	n/a
Adjusted gross margin % ¹	53.8%	53.3%	+0.5%
Adjusted profit before tax ¹	£9.2 million	£6.3 million	+46.0%
Adjusted earnings per share ¹	3.43p	2.39p	+43.5%
Adjusted net cash at period end ³	£7.4 million	£8.7 million	£(1.3) million
Statutory Measures			
Group revenue	£295.8 million	£251.8 million	+17.5%
Gross profit	£154.3 million	£134.3 million	+14.9%
Gross margin %	52.2%	53.3%	(1.1)ppts
Profit/(loss) before tax	£8.3 million	£(16.2) million	n/a
Basic earnings/(loss) per share	3.05p	(6.63)p	n/a
Final dividend per share	2.1p	1.2p	+75.0%
Total dividend per share	2.9p	2.4p	+20.8%

** The financial impact of CTD has been excluded from adjusted measures in FY25.*

Current Trading and Outlook

Group sales growth in first nine weeks (excl. CTD) are up 3.3% year-on-year with Topps Tiles like-for-like sales up 2.0%. CTD stores are delivering consistent LFL growth and we are confident in delivering a profit in CTD for FY26.

Sales growth over the first nine weeks of the new financial year have moderated due to weaker consumer confidence. As an established market leader the business is well positioned and we remain confident in our growth strategy and goal of Mission 365.

The Group is pleased to announce the successful acquisition of the Fired Earth brand, associated IP, website and a provisional £2.5 million of stock, for a total cash consideration of £3 million in November 2025. The Fired Earth brand represents a significant opportunity for the Group, strengthening our digital presence and adding a premium brand to our homeowner and trade customer offering.

Commenting on the results, Rob Parker, Chief Executive said:

"In what will be my final year with the business I am pleased to deliver a strong set of financial results and strategic progress. The business has delivered a new record year of sales, combined with a strong increase in profits and dividends. Our strategy and growth plans are working well and we are making excellent progress towards our Mission 365 goal. I wish my successor, Alex Jensen, the very best as she takes the Group on to the next stage of our exciting growth plans."

Alex Jensen, Chief Executive Designate, added:

"This is a very encouraging set of results, and the team worked hard to ensure each business delivered strongly against the prior year. I am grateful to Rob for the foundations he's laid down and I look forward to working with the team to build on this progress, accelerate our digital momentum, and harness the team's expertise to maximise value for all stakeholders. I'm excited to bring the Fired Earth brand into our portfolio to further accelerate delivery of our Mission 365 goal. I'm also delighted that Caroline Browne has been appointed as the Group's new CFO. Caroline's extensive retail experience and proven ability will be invaluable as we continue to execute our growth strategy and strengthen our market position."

Notes

1 Adjusted revenue, gross margin %, operating profit, profit before tax and earnings per share exclude the impact of items which are either one-off in nature or fluctuate significantly from year to year. The performance of CTD has been excluded from adjusted metrics due to disruption caused by the CMA investigation. Refer to the financial review section of this document for more details on each of these measures.

2 Topps Tiles like-for-like revenue is defined as revenue from Topps Tiles stores that have been trading for more than 52 weeks and revenue transacted through Topps Tiles' digital channels.

3 Adjusted net cash is defined as cash and cash equivalents, less bank loans, before unamortised issue costs as at the balance sheet date. It excludes lease liabilities arising from IFRS 16.

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SUMMARY OF GROUP OPERATIONS

Topps Group is the largest specialist distributor of tiles and related products in the UK. Approximately 75% of sales across the Group are made to trade customers, including tilers, general builders and contractors, with the remaining 25% to domestic homeowners. The majority of the Group's sales are ultimately related to work in the domestic repair, maintenance and improvement (RMI) sector, with the balance of sales relating to commercial projects, infrastructure and new build housing.

The Group owns a number of brands which target different customer groups within this market. The largest is Topps Tiles, the market-leading, omni-channel brand, which was founded in 1963 and, with its rich history and 297 stores, has strong brand recognition across the UK, serving both trade and homeowner customers. Pro Tiler Tools is the tile industry's leading online pure play brand focused on trade customers, offering a wide range of trade-focused essentials items and a deep product specialism, at market-leading pricing. The Parkside brand operates in the commercial market which includes tiles supplied across sectors such as leisure, retail, hospitality, infrastructure and offices, where product specification is often heavily influenced by the architect and designer community. Tile Warehouse is an online pure play brand aimed at more budget-conscious homeowner customers. CTD joined the Group in August 2024 and has over 50 years of experience serving the trade, the commercial market, and the housebuilder sector. Across the brand portfolio, the Group offers differentiated physical, digital and direct selling channels to all customer types in the tile market.

All of our brands derive benefit from the scale of the Group, the specialist focus of our business model and our passion for tiles. We enjoy a competitive advantage in sourcing differentiated products from around the world that we often access on an exclusive basis. Our growth strategy is underpinned by our people strategy, which delivers world-

class customer service across the Group, our operational & digital excellence strategy, including a high-quality, specialist supply chain and ongoing investment in systems, and our environmental leadership strategy, including our goal of being carbon neutral across Scope 1 and 2 emissions by 2030.

PURPOSE, GOAL & STRATEGY

The core purpose of Topps Group is to inspire customers through our love of tiles. This gives us a very clear focus on our specialism in tiles and associated products and encourages all our colleagues to be passionate about the products we sell. It also puts our customers at the heart of what we do and reminds us that all roles in the Group are either serving customers directly or supporting those colleagues who are. This purpose continues to unite the Group as it has grown into new sectors and added new complementary brands in recent years.

In May 2024, the Group launched its new goal, Mission 365, which was to increase sales to £365m in the medium term, while achieving an adjusted profit before tax margin of 8-10% at a Group level. We also committed to every brand within the Group structure having the potential to deliver an 8%+ adjusted profit before tax margin. This would imply a minimum profit level for the Group of £30 million, a three fold increase when compared to profits achieved in the last financial year.

Five key areas of growth were identified to deliver Mission 365. The indicative sales uplifts we expect to deliver from the five growth areas, together with a modest level of market recovery and business as usual price growth, are as follows:

	Revenue £m
Group adjusted sales in 2024	248
Market and business-as-usual pricing	10 - 20
Expand into new coverings categories	25 - 30
Modernise the trade digital experience	15 - 20
Business-to-business (B2B) sales focus	35 - 40
Pro Tiler expansion	20 - 25
Tile Warehouse maturity	10 - 15
Mission 365 (medium term)	365

As part of this new goal, we redefined the scope of the Group's operations and the market in which we operate. The Group's core focus has traditionally been tiles and closely associated products, a market valued at c.£1.2 billion in 2023. However, the Group identified an opportunity to sell a variety of additional hard floor and wall coverings, and the inclusion of these new product categories, such as luxury vinyl tiles, outdoor tiles, shower panels, splashbacks and more, expanded the Group's addressable market to c. £2.1 billion. In summary, the Group is now focused on the wider market of all hard wall and floor surface coverings, a significantly larger market, which presents multiple opportunities for growth.

We expect the Group to deliver the following financial outcomes in the medium term:

- Sales of £365 million, £117 million higher than adjusted sales in FY24, noting that c.40% of this target has now been delivered by year end FY25.
- Gross margins between 51% and 52%, depending on changes in business mix
- Adjusted profit before tax margin of 8%+
- Substantial improvements in lease adjusted return on capital employed, given only relatively modest changes to the store network and some investments in supply chain and systems.

The most significant strategic progress towards this goal was made in August 2024 through the acquisition of the brand and certain assets of CTD, on which more detail is given below. As a result of this acquisition we amended our ambition for B2B sales from £15 - £25 million to £35 - £40 million. Rather than increase the goal, we consider that the CTD acquisition will accelerate the delivery. It is noted that following the increase of our B2B ambition the lower end of the table above now adds to £365 million, suggesting upside potential if we deliver against all of our strategic plans, but we are too early on our journey to commit to that at this stage. Updates on the other areas of the strategy are given in the following sections of this report.

CTD acquisition

On 19 August 2024, the Group acquired the brand and certain assets from CTD Tiles Limited, which had fallen into administration, including all intellectual property, CTD's Architectural & Designer (A&D) and Housebuilder business, selected stock and a licence to occupy 30 CTD stores, for consideration of £9 million. CTD had previously operated 86 stores, and the majority of the other stores closed soon afterwards.

The Competition and Markets Authority ('CMA') opened a Phase 1 investigation into this transaction in October 2024. This required the assets acquired to be 'held separate' to the Groups other operations during the period of review. This investigation ultimately led to a requirement to dispose of four stores where the CMA identified local competition concerns. From April 2025 the majority of the restrictions were lifted and the Group has been focused on the implementation of Group IT systems, delivering a performance improvement programme, and disposing of the four stores identified by the CMA. This includes:

- The Topps Tiles core IT system (Microsoft Dynamics) was implemented into the warehouse and stores in August 2025. This helps to reduce operating costs and reliance on 3rd party vendors, and also provides commonality across our retail stores which is helpful for inter-branch colleague transfers. This will also greatly assist the implementation of a new Group wide central system over the next two years (Microsoft Dynamics 365 Business Central).
- Performance improvement programme - the trading loss over the year has been £1.7 million. The business has made material progress over the second half of the financial year and the work to improve performance

continues. It is our expectation that the business will generate a full year profit in the FY26 financial year.

- Disposal of four stores - one of the stores identified by the CMA was disposed of in FY25, two more have been concluded in the first part of FY26 and the remaining store disposal is expected to be completed in December 2025. This will bring to a conclusion any involvement by the CMA in the Group's activities.
- As a result of the disposal process and also normal commercial property considerations, the Group will trade from 22 CTD stores and is preparing plans to grow the store base in FY26.

The strategic rationale for the acquisition of CTD remains and the operations are complementary to our existing trade strategy, allowing us to access a larger contractor and national housebuilder customer base.

Please see the financial review for a breakdown of the trading and non-trading performance of CTD within FY25.

Strategic progress

1) Expand into new coverings categories

As described above, the Group has redefined its addressable market to include all hard wall or floor surface coverings, including products such as luxury vinyl tiles, shower panels, outdoor tiles, laminate and engineered wood, splashbacks, XXL porcelain, and acoustic panels. A 5-10% market share of these categories would amount to over £50 million of incremental sales compared to 2024 levels and we believe there exists at least a £25 - £30 million sales opportunity in these areas as part of Mission 365.

During FY25 good initial progress has been made but we also consider that there is significantly more to do. The outdoor tile range has been extended, wall panels have been rolled out to all stores (both acoustic and shower), and porcelain splashbacks have been launched. In addition, to help increase profitability, both luxury vinyl tiles and acoustic panels are now direct-sourced. Digital marketing has been improved and colleague training has taken place. Overall, £11.8 million of sales have been made across these categories in Topps Tiles, up 12% year on year, with gross profit up 20%.

2) Modernise the trade digital experience

Trade customers can offer repeat custom and act as brand ambassadors on behalf of Topps Group to other traders and to homeowners. They may use the Group's brands frequently, perhaps multiple times a week, compared to homeowners who usually only come into the market once every few years, and as a result are rewarded with advantaged pricing and enhanced support. As such, the Group has had a strategy of increasing its trade mix over time. Following the acquisition of CTD, approximately 75% of sales in Topps Group by value are to trade customers, and trade mix within the Topps Tiles brand increased by 5.3 percentage points year on year to 68.1% of sales. This compares to c. 50% of sales ten years ago.

To drive further growth in trade revenues, Topps Group has been actively improving its trade offer, in particular through Topps Tiles' digital channels. Over the last year, the Topps Tiles team has made strong progress, including:

- The launch of a completely new trade website, benefits include visible pricing, a simplified trade registration process and the ability to create a single basket regardless of where stock is located
- The launch of a new Customer Engagement Platform ('CEP'), allowing us to communicate a more tailored offer to our trade customers
- Enhanced trade credit offering - allowing us to target larger contractor type customers who require credit facilities. Trade Pay represents c.6% of trade sales and has grown by c.40% YoY
- A refreshed and more holistic trade offer through our relaunched 'Trade Club'
- Commencement of development for a new trade app which will become the default platform for trade to access the Topps Tiles offer, this is scheduled to launch in second half of FY26

We are pleased with progress made in improving the Topps Tiles trader digital experience - online trade traffic has increased by 66%, online trade sales have increased by 70% and total sales to trade customers have increased by 13.3% (all when compared to the previous financial year). The number of active traders at the end of the period increased 12% year on year to 152,000.

We see a significant further opportunity to grow the number of registered traders and improve share of wallet through further progress in the areas listed above in the coming years, with a total opportunity of £15 - £20 million when compared to 2024 levels.

3) Business-to-business sales focus

The acquisition of CTD has significantly enhanced our B2B offering within the Group. Four brands now cater for trade and professional customers, all of which have complementary, differentiated market positions:

- Topps Tiles offers the convenience of 297 stores nationwide and digital platforms, focusing primarily on general builders and solus tile fitters.
- Pro Tiler Tools supplies fitters and smaller contractors buying consumable items and technical tools through its modern digital channels, as well as a direct selling team able to provide personal support to larger contractors.
- CTD will become a trade-only business, offering a physical store network and supplying larger contractors and national housebuilders, with a good depth of consumables stock held in each location, an emphasis on professional tiling brands and a more flexible delivery capability.
- Parkside is highly relevant for projects where the architect or designer is the key influencer behind the coverings purchasing decision, and where bespoke or technical products are required. Parkside have partnered with Material Source, a key destination for interior designers, architects and property professionals, with studios currently in Glasgow, Manchester and London, as they forge closer links with the design community.

The CTD acquisition has added approximately £30 million of B2B sales to the Group and, following the execution of the plan above, will contribute materially above the £15 million to £25 million range originally envisaged for B2B sales growth in the Mission 365 plan. Hence this part of the plan has now been revised to £35 million to £40 million.

The Parkside business has generated a profit for the first time in FY25 (following achieving breakeven in FY24) and has generated just over a 5% net margin on £8.5 million of sales. This makes Parkside the second most profitable part of the business on a net margin basis this year, behind Pro Tiler Tools.

In addition to the above, the Group has agreed a partnership with Wren Kitchens to supply a tile offer. A curated range of tiles is now available in all Wren showrooms around the country, under the Topps Tiles brand. The model provides for the product to be ordered by Wren customers and fulfilled by Topps Tiles. Having established proof of concept in FY25 and extended this to all stores, the focus for FY26 is on delivering continued sales growth.

4) Pro Tiler Tools

Pro Tiler Tools continues to deliver strong financial results and take market share. In the year, the business achieved annual sales of £35 million, growing by 22% year on year. Pro Tiler sales have now grown three-fold when compared to the level prior to our acquisition in 2022. Sales over the first half started to become constrained as the business outgrew its existing 50,000 sq ft warehouse facility and in December 2024 we relocated to a new facility with approximately three times the space. This has been key in feeding the further expansion of the business and also allowed us to further enhance the customer offer by introducing a 9pm cut off for next day delivery - an industry leading proposition. As a result of this additional capacity and customer service, sales accelerated over the second half and despite the additional supply chain costs profitability has also improved as we have grown our scale - and over the latter part of the year is now operating very close to our profitability target of 8% net margin. As the business continues to grow and as a result of being part of the Group, new opportunities around ranging and sourcing are also being developed. This includes direct supply relationships with leading European tool manufacturers, which have historically been controlled by UK distributors. As part of Mission 365, we attributed £50 million of sales to Pro Tiler, we are very confident in the delivery of this and expect the business to grow beyond this level over the coming years.

5) Tile Warehouse

Tile Warehouse, our online pure play brand focused on selling coverings products to value-conscious homeowners, was established in summer 2022 and continues to grow well. Sales in the year were £3 million, which have increased 82.4% year on year. This was largely driven by growth in traffic of 20% and growth in conversion of 33%. As a result of this success, Tile Warehouse has been independently recognised as the fastest growing digital tile specialist in the UK (source - Saliency Search Marketing Report, September 2025). As the scale of the business grows, trading losses for the year have reduced by 27% to £0.5 million. Tile Warehouse represents an exciting opportunity for the Group but we also recognise the need to move the business into profit and this will only be achieved by further growth in sales. The business is now trading at weekly levels where we believe this should be possible and we expect the second half of FY26 to achieve this for the whole period. Tile Warehouse represents £10m - £15m of our Mission 365 goal and we remain confident that this is achievable over time.

Strategic Enablers

Operational & Digital Excellence

Underpinning our successful business are strong operational disciplines. This area of the strategy covers support functions such as supply chain, property, IT, finance, legal, central operations, marketing & digital.

The Group has delivered a significant change to its supply chain infrastructure this year through the addition of a new 140,000 sq ft warehouse in Northamptonshire. The lease on this new facility was signed in October 2024 and became operationally active in late December with the relocation of Pro Tiler Tools. This new facility serves two key operational needs of the Group - as described above, Pro Tiler Tools was operationally constrained in its existing 50,000 sq ft facility and needed more space to grow, and, CTD was required to exit their existing warehouse facility in Kings Norton. This new facility now handles the logistical requirements of both businesses and includes capacity for future growth. The capital fit out cost of the new warehouse in the year was £2.8 million and the annual property costs are approximately £1.8 million, split between Pro Tiler Tools and CTD. For Pro Tiler Tools this is an increase of approximately £0.4 million when compared to its previous facility (which will be paid for by the sales growth the additional capacity will help to drive) and for CTD the costs are broadly similar to their previous facility.

This year, the Group began its two-year programme of core systems upgrades. Working with our chosen implementation partner, the business will implement Microsoft Dynamics 365 Business Central in 2026 across central functions, the Topps Tiles and CTD store networks, and Parkside. The cost of implementation is estimated at £1.2 million of additional operating costs, spread over FY25 and FY26 and the increased licencing costs at the conclusion of the project are expected to be offset through operating efficiencies. In addition, new IT hardware for stores will be purchased to unlock operating efficiencies and further sales opportunities, at a capital cost of approximately £1.0 million. Pro Tiler Tools and Tile Warehouse run on different systems and we will revisit their systems architecture following the core systems upgrade.

The Group has extensive digital capabilities and this extends across pure play brands such as Pro Tiler Tools and Tile Warehouse to omni-channel operations such as Topps Tiles. Overall, Group digital sales increased by 2.6 percentage points to 21.1% (FY24: 18.5%). When CTD sales are included this ratio will reduce to approximately 19.0% but thereafter we expect this to continue to increase as we pursue our growth strategy and our goal of Mission 365.

Topp People, Topp Service

The provision of world class service has remained a key competitive advantage of the Group over its history and is a characteristic of all its brands. For a homeowner customer, buying tiles is a very infrequent activity and so being supported by teams which have the time to explain the variety of products on offer, their suitability for different jobs and the other products needed to complete the job is essential. For trade customers, technical knowledge and a trusted point of contact is key for maintaining strong relationships.

'Topp Service' can only be delivered by 'Topp People' and the Group is delighted to continue to deliver industry leading levels of customer service. In Topps Tiles, overall satisfaction in the year was 91.1%, a modest decrease when compared to last year's excellent result of 92.1%. That means that 91.1% of customers who fill in a survey rated the business as five stars. This year we have also targeted a significant increase in Google store reviews. As a result of this focus, we have recorded 48,800 Google reviews in the period, compared to 12,700 reviews in the same period

this focus, we have received 40,000 Google reviews in the period, compared to 12,100 reviews in the same period last year. The average score cumulatively for the business is 4.97 stars, improving local search results and giving potential customers, many of whom would not have been in the market for tiles for a number of years, the confidence to shop with us.

In Pro Tiler Tools, online reviews have an average score of 4.85 / 5 and in Tile Warehouse the average score is 4.5 / 5, showing the level of customer service offered across the Group.

Overall colleague turnover rose by 4.8% to 31%. The principal drivers of this have been CTD post-acquisition changes, HGV driver turnover (created by increased market demand) and performance management in Topps Tiles. The increase in turnover has resulted in a reduction in retention to 79.5% (FY24: 81.0%)

Despite the increase in colleague turnover the retention ratio indicates a good level of stability across the Group, with average service exceeding seven years. This year, we celebrated unprecedented milestones including 40+ years of service, with one colleague reaching 50 years.

Our One Topps diversity, equity & inclusion strategy continues to evolve. For the coming financial year we will be focused on strengthening our listening approach, enhancing recruitment support (e.g. through the use of blind CVs), and improving our demographic tracking.

During the year we have created a Tiling Apprenticeship partnership, which is currently active in Birmingham and Leeds, and during 2026 we plan to further extend to Cardiff and Edinburgh.

Charity fundraising remains central to our engagement strategy. This year, we surpassed £675,000 raised for Alzheimer's Society, progressing toward our £1 million pledge over five years.

Environmental Leadership

Environmental Leadership is a core pillar of the Group's strategy, where focus centres on carbon reduction and circularity. The Group remains committed to achieving carbon neutral status by 2030 across Scope 1 and 2 emissions alongside a new near-term science-based aligned target. The Scope 1 and 2 emissions in FY25 were 5,333 tonnes (FY24: 5,105 tonnes), a slight increase compared to last year due to an increase in gas consumption across our stores. Investment in the use of Hydrotreated Vegetable Oil (HVO) as a replacement for diesel is paramount to be able to remove all our fleet emissions and this will be progressively introduced over the medium term. At one of the Group's central supply chain facilities, light fittings have been upgraded to energy efficient LED systems reducing the total fittings by 54%, reducing energy consumption by 200 tonnes per annum and enhancing the overall lighting level. In addition, a further 15 new tractor units for the primary fleet have been leased providing a 2.8% YoY fuel efficiency. At the store level, we have replaced a further 18 inefficient gas heaters with modern systems, with further upgrades planned.

This year, Pro Tiler Tools have begun embedding the key principles of Environmental Leadership throughout their business, which includes reporting their carbon emissions for the first time. In line with best practice, our Baseline Year has been recalculated to reflect this inclusion, raising the total emissions for 2023 to 207,854 tonnes, an increase of 18,617 tonnes. Improvements to data collection were included as historic updates in the recalculations. For 2025, Scope 3 emissions remain the largest category at 205,893 tonnes, dominated by the purchased goods (primarily tiles, adhesive and metal trims) and the usage of purchased products (primarily underfloor heating). Emissions from the use of sold products can only be reduced with the government's commitment to 100% renewable energy from the grid by 2035. Engagement with our suppliers has commenced as part of our plans to understand their decarbonisation targets to support our Scope 3 emissions reductions. Please see the Sustainability and TCFD reports in the Annual Report for more information on this subject.

Reduction of waste is a key focus within the Circularity area of our environmental strategy, and a heavy focus has been on the tile waste reduction target. The Group this year has seen a decrease in tile waste by 16.6%, improving on 9% in FY24 and 12% in FY23. This brings the total reduction in tile waste to 719 tonnes over the past three years. Stores continue to improve waste segregation driving down the cost of disposal, 2025 has seen 59 tonnes of baled cardboard and 52 tonnes of mixed plastic recycled, alongside the active pallet reuse and recycle programme which sees 96,700 pallets returned from the store network.

Summary

2025 has been a successful year for the business with most of our key adjusted performance measures improving year on year, including a 46% increase in adjusted profit before tax. This has been a year of significant strategic progress for the Group and to be able to report our fourth record year of sales over the last five years is a particular highlight. We are now approximately 40% of the way towards our revenue goal of Mission 365 and our growth strategy is delivering well.

Key Performance Indicators ("KPIs")

As set out in our most recent Annual Report, the Board monitors a number of financial and non-financial KPIs when reviewing the implementation of the Group's strategy. Our performance in the 52 weeks to 27 September 2025 is set out in the table below, together with the prior year performance data. The source of data and calculation methods are consistent with those described in the 2025 Annual Report.

	52 weeks to 27 September 2025	52 weeks to 28 September 2024	YoY
Financial KPIs			
Group adjusted revenue growth/(decline) year on year*	6.8%	(5.4)%	n/a
Topps Tiles like-for-like sales growth/(decline) year on year*	5.3%	(9.1)%	n/a
Group adjusted gross margin %*	53.8%	53.3%	+0.5 ppts
Adjusted profit before tax*	£9.2 million	£6.3 million	+46.0%
Adjusted earnings per share*	3.43 pence	2.39 pence	+43.5%

Adjusted earnings per share	52 weeks to 27 September 2025	52 weeks to 28 September 2024	52 weeks to 28 September 2023
Adjusted net cash*	£7.4 million	£8.7 million	£(1.3) million
Inventory days	105	118	(13) days

Non-financial KPIs

Square metres of tiles sold in Topps Tiles (thousand)	4,134	4,222	(2.1)%
Topps Tiles customer overall satisfaction score	91.1%	92.1%	(1.0) ppts
Scope 1 & 2 net carbon emissions (tonnes per annum)**	5,333	5,105	+4.5%
Group colleague retention	79.5%	81.0%	(1.5) ppts

* as defined in the Financial Review

** FY24 has been restated to include Pro Tiler Tools (originally stated as 4,866 tonnes)

FINANCIAL REVIEW

FY25 covers the 52 weeks to 27 September 2025. The previous period (FY24) covers the 52 weeks to 28 September 2024. After a challenging year in 2024, in FY25 the Group has delivered growth in adjusted sales, gross margins and profits. The Group has also maintained its financial disciplines with good cash generation and robust balance sheet.

Acquisition and performance of CTD

On 19 August 2024, the Group acquired the brand and certain assets from CTD Tiles Limited (in administration) including the right to occupy 30 stores, selected stock, intellectual property and branding, for consideration of £9.0 million. At 28 September 2024, the fair values assigned to all of the acquired assets were determined on a provisional basis in accordance with IFRS 3 'Business Combinations'. The finalisation of the fair values, together with an assessment of goodwill and intangible assets acquired, was completed within the 12 month fair value period, as permitted by IFRS 3, and these have been reported in the full year results as at 27 September 2025.

In the 2024 full year results, CTD's performance was excluded from adjusted profit metrics, including its trading performance, acquisition costs, and the initial costs of the CMA investigation. CTD's results have also been excluded from adjusted profit metrics in FY25 as the CMA investigation has had the impact of removing the business from the Group's direct influence for a material part of the year and impacted the pace of integration into the Group. In FY26 CTD's performance will be included in the Group's adjusted performance metrics which will include approximately £11 million of operational costs and is expected to be additive to the Group's adjusted profit before tax.

The total loss before tax of the business was as follows:

£m	52 weeks to 27 September 2025
CMA advisory costs	(2.0)
One-off items & non-recurring costs	(3.2)
One off costs	(5.2)
Trading	(1.7)
CTD loss before tax	(6.9)

The CMA process has resulted in advisory costs of £2.0 million, primarily consisting of legal and econometric fees.

One-off items and non-recurring costs of £3.2 million were incurred, including costs for historic IT systems (which have now been exited), administration fees, relocation and moving costs for the distribution centre, legal costs for assigning leases on stores acquired, and accelerated depreciation of assets on exit of stores.

The trading activities of the business resulted in a loss for the year of £1.7 million. The business has made material progress over the second half of the financial year and the work to improve performance continues. It is our expectation that the business will generate a full year profit in the FY26 financial year.

During the year, the management team restocked the business following the administration, resulting in an increase in inventories of £3.7 million. The business also focused on cash collection, including amounts falling due in the previous trading period, and payables increased as a result of reinitiating normal supplier payment terms, resulting in a cash inflow from other working capital movements of £3.6 million. Capital expenditure of £0.9 million was incurred, largely as a result of the relocation of CTD's main warehouse Kings Norton to the Prologis Park Pineham. As a result, the cash outflow in the year, including CMA advisory costs, was £6.3 million, broken down as follows:

£m	52 weeks to 27 September 2025
Cash generated by operations before working capital	(3.5)
Increase in inventories & other working capital movements	(0.1)
CMA advisory fees	(1.8)
Operational cash flows and CMA advisory fees	(5.4)
Capital expenditure	(0.9)
Total cash flow	(6.3)

Consolidated Statement of Profit or Loss

Topps Group returned to revenue growth in 2025, with 6.8% adjusted revenue growth across the business, including an improving trend across the year. Sales in the Topps Tiles brand were 3.9% higher year on year, driven by strong conversion, leading to transaction growth, with average transaction value ('ATV') staying relatively flat year-on-year. Like-for-like sales in Topps Tiles were 5.3% higher year-on-year.

Sales in Online Pure Play remained very strong, up 25.6% to £38.3 million. Within Online Pure Play, Pro Tiler Tools continued to deliver excellent growth, up 22.2% year-on-year to £35.2 million and Tile Warehouse sales increased by

82.4% year-on-year to £3.1 million. Parkside sales increased by 11.8% to £8.5 million. Revenue by business area was as follows:

Revenue by brand (£m)	FY25	FY24	YoY
Topps Tiles	218.6	210.4	+3.9%
Parkside	8.5	7.6	+11.8%
Online Pure Play*	38.3	30.5	+25.6%
Adjusted revenue	265.4	248.5	+6.8%
CTD**	30.4	3.3	+821.2%
Group revenue	295.8	251.8	+17.5%

*Online Pure Play includes Pro Tiler Tools and its associated brands, which were acquired in March 2022, and Tile Warehouse, which was launched in May 2022.

** CTD was acquired on 19 August 2024. Please see the section above for further information.

Adjusted gross profit was £10.2 million higher year-on-year at £142.7 million (FY24: £132.5 million). The adjusted gross margin was 0.5 percentage points higher year-on-year at 53.8%. The Group's adjusted gross margin over the second half increased 0.7 percentage points to 54.1% when compared to the first half. There are a number of moving parts in gross margin - dilutive factors include the growth of lower gross margin parts of the business (including online pureplay), and an increasing trade mix in Topps Tiles. These dilutive factors have been offset by improved buying, reduced discounting and price increases over the year plus gains from improved stock management and foreign currency exchange upsides. Gross margins in the Topps Tiles brand saw a material increase over the year to 58.9% (FY24: 57.6%). Group gross margin, including CTD, was 1.1 percentage points lower year-on-year at 52.2% (FY24: 53.3%), with CTD having a 1.6 percentage point dilutionary effect.

Adjusted operating costs were £127.2 million, up £5.7 million from £121.5 million last year, explained by the following key items:

	£ million
FY24 adjusted operating expenses	121.5
Inflationary costs	4.6
Increased performance related pay	2.5
Investment in marketing and systems	0.8
Online Pure Play cost investment	2.1
Cost saving from fewer stores	(1.0)
Other net savings	(3.3)
FY25 adjusted operating expenses	127.2

Cost inflation was spread across a number of lines, including wage inflation (with the second half impacted by the National Living Wage increase of 6.7% and the increase in the rate and reduction in the threshold of employers' NICs from April 2025), property, and IT costs. Increased performance related pay of £2.5 million relates to higher variable payments to colleagues across the Group as a result of the financial performance compared to targets. Investment in digital marketing and costs relating to a core systems and CEP upgrade programme resulted in an additional cost of £0.8 million. The continued strong sales growth in Pro Tiler Tools has resulted in further expansion of the cost base - particularly in digital marketing and in relation to their new distribution centre which became operational from January 2025. There were savings of £1.0 million from fewer trading Topps Tiles stores year-on-year, and other net savings of £3.3 million includes reduced property cost accruals and provisions, lower depreciation, and lower utility costs. Adjusted operating profit was up 40.9% to £15.5 million (FY24: £11.0 million).

Adjusted net finance costs were £6.3 million in FY25 (FY24: £4.7 million), as a result of lower cash balances throughout the year, utilisation of the revolving credit facility in the period, and higher IFRS 16 interest charges due to rising interest rates. Statutory interest costs were £7.0 million (FY24: £4.8 million), broken down as follows:

	FY25	FY24	YoY
Net interest payable on lease liabilities	5.4	4.7	0.7
Bank interest payable and amortisation of banking facility fees	1.1	0.5	0.6
Interest receivable on credit balances	(0.2)	(0.5)	0.3
Adjusted net finance costs	6.3	4.7	1.6
Interest unwind on Pro Tiler Tools earn out provision	-	0.1	(0.1)
IFRS 16 interest payable on non-operational warehousing	0.7	-	0.7
Net finance costs	7.0	4.8	2.2

Adjusted profit before tax for the period was £9.2 million (FY24: £6.3 million) and, after including the adjusting items described in the next section, the statutory profit before tax was £8.3 million (FY24: loss before tax of £16.2 million).

Adjusting items

The Group's management uses adjusted performance measures, to plan for, control and assess the performance of the Group. Adjusted profit before tax differs from the statutory profit before tax as it excludes the effect of one-off or fluctuating items, allowing stakeholders to understand results across years in a more consistent manner.

We have excluded property costs in relation to the store closure programme, which ended with stores closed in 2022. Only one closed store was left in the estate as at the year end date.

In line with prior years, we treat any impairment charges or right-of-use assets or plant, property and equipment, derecognition of lease liabilities where we have exited a store, and one-off gains and losses through sub-lets as adjusting items. In 2025, reversals of previous impairment charges have been recognised and these have also been treated as adjusting items to be consistent with the impairment charges. Impairments imply that assets will not incur a depreciation charge moving forward in statutory profit, however, the Group's adjusted profit before tax measure will carry a notional depreciation charge, as if the assets had not been impaired, meaning that adjusted profit before tax will continue to be comparable year on year, and is more reflective of the actual lease payments made by the Group. None of these items has any cash impact, in FY24 or in future periods.

In the period, the Group relocated the warehouse operations of both Pro Tiler Tools and CTD into a distribution centre at the Prologis Park Pineham. The costs associated with the warehouse before operational use, costs associated with the warehouse being exited, and the relocation of the Pro Tiler operation to the new facility, were £1.1 million.

In August 2024, the CTD brand and certain assets were acquired from administration and the financial impact of this business, including its trading performance, one-off items and non-recurring costs, and the costs of advisory fees relating to the CMA investigation have been excluded from adjusted profit. The CMA's Initial Enforcement Order had the effect of keeping CTD at arm's length of the company's management and prohibiting further integration which would have improved the business's financial performance.

In the period between H2 FY22 and H1 FY24 we excluded the cost relating to the 40% purchase of shares of Pro Tiler Limited, which, under IFRS 3, is treated as a remuneration expense rather than a cost relating to the acquisition of the relevant shares. Restructuring costs and other one-off costs have also been excluded.

In January 2025, the Group announced the intention of Chief Executive, Rob Parker, to retire from the business at the end of 2025. As a result of this there have been several management transition costs - including recruitment fees and the two costs of two Chief Executives to allow for an orderly handover of responsibilities. Our new Chief Executive, Alex Jensen, joined in mid September and therefore we expect to see a continuation of this into FY26. In addition, our Chief Financial Officer, Stephen Hopson, left the business on 3 September and we recruited an Interim CFO to provide appropriate cover to this business while we recruitment a permanent candidate. There was an approximately six week handover period which resulted in additional costs. We have also been engaged in a process to recruit a permanent CFO and various costs associated with this search have been incurred. The Audit Committee consider that these costs conform with our agreed definition of adjusting items.

An analysis of movements from adjusted profit before tax to statutory profit/(loss) before tax is given below:

	FY25 £m	FY24 £m
Adjusted profit before tax	9.2	6.3
Property		
- Vacant property and closure costs	(0.5)	(0.3)
- Store impairment, reversal of impairment and lease exit gains and losses	2.5	(18.8)
- Removal of notional depreciation on impaired assets	5.7	-
- Non-operational warehouse costs	(1.1)	-
	6.6	(19.1)
Business development		
CTD		
- CMA advisory costs	(2.0)	(0.1)
- One off items & non-recurring costs	(3.2)	(0.2)
- Trading	(1.7)	0.1
- Pro Tiler Limited share purchase expense	-	(3.2)
- Restructuring and other one-off costs	(0.3)	-
	(7.2)	(3.4)
Management succession	(0.3)	-
Statutory profit / (loss) before tax	8.3	(16.2)

Tax and earnings per share

The tax expense was £2.3 million (FY24: credit of £3.4 million). On an adjusted basis, the effective rate of corporation tax for the period was 26.6% (FY24: 22.3%). The effective rate of corporation tax for the period on a statutory basis was 27.5% (FY24: 21.0%). The adjusted and statutory rates of tax are slightly higher than the headline rate of corporation tax in the UK of 25% as a result of certain disallowable expenses such as share based payment expenses and the net impact of depreciation compared to capital allowances.

Adjusted earnings per share were 3.43 pence, up 43.5% when compared to 2.39 pence in FY24. This growth was driven by the growth in adjusted profit before tax.

Basic earnings per share were 3.05 pence (FY24: loss per share of 6.63 pence).

Dividend & Dividend Policy

In 2022, the Board outlined a new Capital Allocation and Dividend Policy. In the policy, the Board indicated that it intended to achieve a payout ratio of 67% of the adjusted earnings per share (EPS) generated in the year and that this would be sustainable over time. The policy was designed to have some flexibility and, in particular, the Board indicated that it did not intend to reduce the dividend year on year due to short term performance or macroeconomic issues, even if that meant increasing the payout ratio in some years. A limit on this flexibility was applied, at 100% of adjusted EPS in any given year.

As a result of the above policy in the previous financial year when earnings declined this flexibility was applied and 100% of the adjusted EPS was paid to shareholders (2.4 pence per share). Adjusted EPS in FY25 was 3.43 pence per share and the Board has decided to continue to apply some discretion to the payout ratio and propose a final dividend of 2.1 pence per share, resulting in a full year dividend payment of 2.9 pence per share, a 20.8% increase on the prior year. This represents an approximately 85% payout ratio which the Board considers an appropriate balance for the year.

The shares will trade ex-dividend on 18 December 2025 and, subject to approval from shareholders at the Annual General Meeting in January 2026, the final dividend will be paid on 30 January 2026.

Consolidated Statement of Financial Position and Consolidated Cash Flow Statement

Capital Expenditure and Store Estate

Capital expenditure in the period amounted to £5.5 million (FY24: £4.5 million), an increase of £1.0 million year on year. £2.8 million relates to the establishment of the Group's new distribution centre at the Prologis Park Pineham, supporting the Pro Tiler Tools and CTD operations. In the period, the Group opened one new Topps Tiles store at Balham and a relocation at Clacton, with the balance of capital expenditure being spent on store improvements and IT projects.

Within the Topps Tiles brand, there was one new store opening, one relocation, and five store closures in the year. At the period end there were 297 Topps Tiles trading stores (FY24: 301 stores). We retain significant flexibility within our store estate, with an average unexpired lease term of 2.5 years (2024: 2.8 years). At the period end, there was one closed store (FY24: two closed stores) which is expected to be exited in the next financial year.

Inventory

Inventory at the period end was £40.6 million (FY24: £38.1 million), representing 105 inventory days (FY24: 118 inventory days), however prior year inventory days were distorted by the short period of CTD trading included in the results. Inventory days excluding CTD were 101 (FY24: 110 inventory days). The value movement in stock year-on-year can be explained by an increase in Pro Tiler of £0.7 million (to £4.2 million), a decrease in Topps Tiles of £1.6 million (to £29.7 million) and an increase in CTD of £3.7 million (to £6.7 million).

Consolidated Cash Flow Statement

The Group's adjusted net cash position decreased in the period by £1.3 million from £8.7 million of adjusted net cash at the start of the financial year to £7.4 million of adjusted net cash at the year end. Adjusted net cash is defined as cash and cash equivalents, less bank loans, before unamortised issue costs, and excludes lease liabilities under IFRS 16. The table below analyses the Group's adjusted net cash flow:

	FY25 £m	FY24 £m
Cash generated by operations, including interest and capital elements of leases, before WC movements and CTD/CMA	15.0	13.6
Changes in working capital excluding CTD/CMA	(0.7)	6.4
CTD operational cash flows and CMA advisory fees	(5.4)	(1.5)
Net bank interest	(0.7)	(0.1)
Tax	(0.3)	(2.3)
Capital expenditure	(5.5)	(4.5)
Other	<u>0.2</u>	<u>(0.3)</u>
Free cash flow	2.6	11.3
Dividends paid to owners of Topps Tiles plc	<u>(3.9)</u>	<u>(7.1)</u>
Change in adjusted net cash before acquisitions	(1.3)	4.2
Acquisition of CTD	-	(9.0)
Acquisition of remaining 40% of shares in Pro Tiler Limited including dividends paid to non-controlling interest	-	(9.9)
Change in adjusted net cash	(1.3)	(14.7)
Adjusted net cash at start of period	8.7	23.4
Adjusted net cash at end of period	7.4	8.7

Cash generated by operations, after leases but before working capital movements and excluding CTD was £15.0 million, £1.4 million higher than the previous year. Working capital excluding CTD showed an outflow of £0.7 million, including the impact of a higher trade debtor balance, partially offset by lower stock (excluding CTD) year-on-year, as

well as higher trade creditors and performance-based pay accruals. Working capital in the prior year included the impact of the timing of the 2024 year-end which increased the closing trade payables balance by c.£9 million due to payroll, VAT and supplier payment runs falling due on 30 September 2024, just after the prior year-end date. CTD cash flows and capital expenditure for the group are detailed in the sections above. Net interest paid was a £0.7 million cash outflow when compared to a £0.1 million outflow last year due to higher interest charges from the utilisation of the revolving credit facility and as well as lower cash balances throughout the year. Cash tax payments were lower as a result of the statutory loss made last year and dividends were lower, which included the cash outflow of the FY24 final dividend. The Group conducted two transactions in the prior year: the purchase of the remainder of the shares in Pro Tiler Limited and the acquisition of certain assets from CTD Tiles Limited.

Return on Capital Employed

The Group's return on capital employed, including the impact of leases, increased from 12.2% in FY24 to 16.9% in FY25, due to a 40.9% year on year increase in adjusted operating profit to £15.5 million (FY24: £11.0 million). Closing capital employed was 20.7% higher than opening capital employed as a result of higher lease liabilities. The Group defines return on capital employed as the annual adjusted operating profit divided by the average capital employed (net assets plus net debt, including lease liabilities). At the balance sheet date, lease adjusted capital employed consisted of £7.7 million of net assets, £99.8 million of lease liabilities, offset by £7.4 million of net cash, giving total capital employed of £100.1 million (FY24: £82.9 million).

Banking Facilities

The Group maintains a robust balance sheet, providing resilience and allowing investment in growth opportunities. A £30.0 million revolving credit facility is in place which is committed to October 2027 (FY24: £30.0 million facility, committed to October 2027). At the full year, £11.0 million of this facility was drawn (FY24: £15.0 million drawn). Based on net cash excluding lease liabilities of £7.4 million at the year end, the Group had £37.4 million of headroom to its banking facilities at the period end (FY24: £38.7 million).

Current Trading and Outlook

Trading over the initial part of the new financial year has moderated due to weaker consumer confidence, but sales remain in growth. Group sales (excl CTD) in the first nine weeks are up 3.3% year-on-year with Topps Tiles life-for-like sales up 2.0%. CTD stores are delivering consistent LFL growth and we are confident in generating a profit in FY26.

Despite a more challenging consumer backdrop the Group remains confident in the outlook and is committed to delivering its goal of Mission 365 over the medium term.

Risks and Uncertainties

The Board continues to monitor the key risks and uncertainties of the Group. Since the FY25 half year results announcement, the Board has added three principal risks and removed two principal risks of the Group. A risk on Quality & Ethical Sourcing has been added following the acquisition of CTD, which introduced new product suppliers and countries that are not known to the Group. A risk covering the delivery of a new ERP system has been recognised, given the inherent uncertainties associated with new system implementations. A new risk has also been created to recognise the potential impact that Artificial Intelligence could have on customer behaviour and the operations of the Group. Two principal risks have been - one covering inflationary cost pressures, given that non-wage inflation pressures have reduced in FY25 and a second risk on critical asset failure which is not deemed to have materially changed, but has been removed because other risks are considered to be of greater importance. Information on the nature and scale of all of the Group's strategic risks is provided in the risk and uncertainties section of the FY25 annual report.

Responsibility Statement

We confirm that to the best of our knowledge:

- (a) the condensed set of financial statements has been prepared in accordance with IAS 34 'Interim Financial Reporting' as contained in UK-adopted IFRS;
- (b) the interim management report includes a fair review of the information required by DTR 4.2.7R (indication of important events during the first six months and description of principal risks and uncertainties for the remaining six months of the year); and
- (c) the interim management report includes a fair review of the information required by DTR 4.2.8R (disclosure of related parties' transactions and changes therein).

Rob Parker

Chief Executive Officer

2 December 2025

Alex Jensen

Chief Executive Officer Designate

Unaudited Consolidated Statement of Profit or Loss FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2025

	Notes	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Group revenue	2	295,754	251,756
Cost of sales		(141,428)	(117,434)
Gross profit		154,326	134,322
Distribution and selling costs		(98,809)	(93,426)

Other operating expenses		(6,232)	(5,918)
Administrative costs		(27,215)	(19,492)
Marketing and online costs		(9,459)	(7,944)
Property related impairment reversals/(charges)	11, 12	2,425	(19,360)
Other income	12	263	401
Group operating profit/(loss)		15,299	(11,417)
Finance income	5	258	665
Finance costs	5	(7,295)	(5,480)
Profit/(loss) before taxation	3	8,262	(16,232)
Taxation	6	(2,274)	3,412
Profit/(loss) for the period		5,988	(12,820)
Profit/(loss) is attributable to:			
Owners of Topps Tiles Plc		5,988	(13,033)
Non-controlling interests		-	213
		5,988	(12,820)

All results relate to continuing operations of the Group.

	Notes	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Earnings per ordinary share:			
- Basic	8	3.05p	(6.63p)
- Diluted	8	3.01p	(6.63p)

Unaudited Consolidated Statement of Comprehensive Income

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2025

		52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Profit/(loss) for the period		5,988	(12,820)
Total comprehensive income/(loss) for the period is attributable to:			
Owners of Topps Tiles Plc		5,988	(13,033)
Non-controlling interests		-	213
		5,988	(12,820)

Unaudited Consolidated Statement of Financial Position

AS AT 27 SEPTEMBER 2025

	Notes	2025 £'000	2024 (restated) £'000
Non-current assets			
Goodwill	9	5,496	6,037
Intangible assets	10	5,744	6,492
Property, plant and equipment	11	16,776	17,328
Deferred tax assets		1,339	3,878
Right-of-use assets	12	77,947	55,325
Other financial assets	12	1,302	1,653
		108,604	90,713
Current assets			
Inventories		40,613	38,051
Other financial assets	12	298	210
Trade and other receivables		18,047	13,350
Current tax debtor		1,588	1,015
Derivative financial instruments		138	-
Cash and cash equivalents	13	18,434	23,682
Assets classified as held for sale	16	171	-
		79,289	76,308
Total assets		187,893	167,021
Current liabilities			
Trade and other payables		(64,351)	(57,463)
Lease liabilities	12	(16,782)	(14,584)
Derivative financial instruments		-	(378)
Provisions		(247)	(335)
		(81,380)	(72,760)
Net current (liabilities)/assets		(2,091)	3,548
Non-current liabilities			
Lease liabilities	12	(83,010)	(71,381)
Provisions		(4,776)	(2,299)
Bank loans	14	(11,000)	(14,996)
Total liabilities		(180,166)	(161,436)
Net assets		7,727	5,585
Equity			
Share capital		6,556	6,556

Share premium	2,636	2,636
Own shares	(28)	(7)
Merger reserve	(399)	(399)
Share-based payment reserve	6,563	6,349
Capital redemption reserve	20,359	20,359
Accumulated losses	(27,960)	(29,909)
Capital and reserves attributable to owners of Topps Tiles Plc	7,727	5,585
Non-controlling interests	-	-
Total equity	7,727	5,585

Unaudited Consolidated Statement of Changes in Equity

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2025

	Share Capital £'000	Share premium £'000	Own shares £'000	Merger reserve £'000	Share- based payment reserve £'000	Capital redemption reserve £'000	Accumulated losses £'000	Non- controlling interest £'000	Total equity £'000
Balance at 30 September 2023	6,556	2,636	(112)	(399)	6,035	20,359	(11,869)	3,182	26,388
(Loss)/profit and total comprehensive loss for the period	-	-	-	-	-	-	(13,033)	213	(12,820)
Dividends	-	-	-	-	-	-	(7,077)	(1,111)	(8,188)
Transfer on acquisition of non-controlling interest	-	-	-	-	-	-	2,284	(2,284)	-
Own shares purchased in the period	-	-	(105)	-	-	-	-	-	(105)
Own shares disposed of on issue in the period	-	-	210	-	-	-	(210)	-	-
Credit to equity for equity-settled share-based payments	-	-	-	-	314	-	-	-	314
Deferred tax on share-based payment transactions	-	-	-	-	-	-	(4)	-	(4)
Balance at 28 September 2024	6,556	2,636	(7)	(399)	6,349	20,359	(29,909)	-	5,585
Profit and total comprehensive income for the period	-	-	-	-	-	-	5,988	-	5,988
Dividends	-	-	-	-	-	-	(3,929)	-	(3,929)
Own shares purchased in the period	-	-	(127)	-	-	-	-	-	(127)
Own shares disposed of on issue in the period	-	-	106	-	-	-	(106)	-	-
Credit to equity for equity-settled share-based payments	-	-	-	-	214	-	-	-	214
Deferred tax on share-based payment transactions	-	-	-	-	-	-	(4)	-	(4)
Balance at 27 September 2025	6,556	2,636	(28)	(399)	6,563	20,359	(27,960)	-	7,727

Unaudited Consolidated Cash Flow Statement

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2025

	Notes	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Cash flow from operating activities			
Profit/(Loss) for the period		5,988	(12,820)
Taxation	6	2,274	(3,412)
Finance costs	5	7,295	5,480
Finance income	5	(258)	(665)
Group operating Profit/(Loss)		15,299	(11,417)
Adjustments for:			
Depreciation of property, plant and equipment	11	4,034	4,667
Depreciation of right-of-use assets	12	12,761	17,630
Amortisation of intangible assets	10	913	683
Loss on disposal of property, plant and equipment		86	160
(Gain)/ loss on sublease		(32)	20
Loss on disposal of goodwill		478	-
Impairment of property, plant and equipment	11	759	2,290
Impairment of right-of-use assets	12	3,986	17,094
Impairment reversal of right-of-use assets	12	(7,170)	-
Gain on lease disposal		(5)	(526)
Share option charge		214	314
Increase in earn out liability and other provisions		775	3,394
Non-cash (gain)/loss on derivative contracts		(516)	452
Cash generated from operations before movements in working capital, tax and interest		31,582	34,761
Increase in trade and other receivables		(4,784)	(8,066)
(Increase)/decrease in inventories		(2,562)	670
Increase in payables		6,735	12,344

Cash generated from operations before tax and interest		30,971	39,709
Interest paid on borrowings		(959)	(666)
Interest received on operational cash balances		249	610
Interest element of lease liabilities paid	12	(6,125)	(4,731)
Settlement of earn out liability and other provisions		(150)	(8,838)
Taxation paid		(312)	(2,314)
Net cash generated from operating activities		23,674	23,770
Investing activities			
Interest received on sublease assets	12	44	55
Receipt of capital element of sublease assets		279	467
Proceeds from capital expenditure incentives		160	-
Purchase of property, plant and equipment	11	(4,848)	(4,193)
Direct costs relating to right-of-use assets		(649)	(188)
Purchase of intangibles	10	(165)	(89)
Purchase of business	15	-	(9,000)
Proceeds on disposal of property, plant and equipment		500	-
Net cash used in investment activities		(4,679)	(12,948)
Financing activities			
Payment of capital element of lease liabilities		(16,009)	(17,059)
Dividends paid	7	(3,929)	(8,188)
Financing arrangement fees		(178)	(152)
Purchase of own shares		(127)	(105)
Proceeds from borrowings	14	21,000	23,500
Repayment of borrowings	14	(25,000)	(8,504)
Net cash used in financing activities		(24,243)	(10,508)
Net (decrease)/increase in cash and cash equivalents		(5,248)	314
Cash and cash equivalents at beginning of period		23,682	23,368
Cash and cash equivalents at end of period	13	18,434	23,682

Notes to the Unaudited Consolidated Financial Statements

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2025

1 GENERAL INFORMATION

Topps Tiles Plc is a public limited company, limited by shares, incorporated and domiciled in the United Kingdom and registered in England under the Companies Act 2006.

The consolidated financial statements are unaudited and do not constitute statutory accounts of the Company within the meaning of Section 434(3) of the companies Act 2006. Statutory accounts for the year ended 28 September 2024 have been delivered to the Registrar of Companies. The audit report for those accounts was unqualified, did not draw attention to any matters by way of emphasis and did not contain a statement under 498(2) or (3) of the Companies Act 2006.

Statutory accounts for the 52-week period ended 27 September 2025 will be delivered to the Registrar of Companies following the Company's Annual General Meeting.

These unaudited financial statements are presented in pounds sterling because that is the currency of the primary economic environment in which the Group operates.

ADOPTION OF NEW AND REVISED STANDARDS

In the current period there were no new or revised standards and interpretations adopted that have a material impact on the financial statements. The Group has not early adopted any other standard, interpretation or amendment that has been issued but is not yet effective.

STANDARDS ADOPTED IN CURRENT PERIOD

The following new and revised standards and interpretations have been adopted in the current year. Their adoption has not had any significant impact on the amounts reported in these financial statements.

- Amendments to IAS 1: Classification of Liabilities as Current and Non-Current;
- Amendments to IAS 1: Non-current liabilities with covenants
- Amendments to IAS7 and IFRS 7: Supplier finance arrangements; and
- Amendments to IFRS 16: Lease liability in a sale and leaseback.

2 GROUP REVENUE

An analysis of Group revenue is as follows:

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Revenue from the sale of goods	295,754	251,756
Total revenue	295,754	251,756

The Group trades in four related sectors which are Topps Tiles, Parkside, CTD and Online Pure Play. The Board receives monthly financial information at this level and uses this information to monitor performance, allocate resources and make operational decisions. These sectors are considered to meet the aggregation criteria as set out in IFRS 8 since the nature of the products, customer base and distribution methods are consistent with each other and the have similar economic characteristics. The Group sells tiles and tile associated products in each of these sectors, predominantly to UK-based retail, trade and commercial customers and offers a range of delivery and collection options for orders.

Revenue can be split by the following geographical regions:

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
UK	295,486	251,511
EU	167	176
Rest of World	101	69
Total	295,754	251,756

Revenue can be split into the following business areas:

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Topps Tiles	218,582	210,367
Parkside	8,532	7,592
CTD	30,353	3,303
Online Pure Play	38,287	30,494
Total	295,754	251,756

The Group's revenue is driven by the consolidation of individual small value transactions and as a result, Group revenue is not reliant on a major customer or group of customers.

3 PROFIT/(LOSS) BEFORE TAXATION

Profit/(Loss) before taxation for the period has been arrived at after charging/(crediting):

	Notes	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Depreciation of property, plant and equipment	11	4,034	4,667
Depreciation of right-of-use assets	12	12,761	17,630
Operating lease costs accounted for per IFRS 16 para 6 - low value and short term rentals		6,373	2,917
Gain on lease disposal		(37)	(506)
Impairment charge of property, plant and equipment	11	759	2,290
(Reversal of impairment charge)/impairment charge of right-of-use assets	12	(3,184)	17,094
Loss on disposal of property, plant and equipment and intangibles		564	160
Amortisation of intangibles	10	913	683
Staff costs	4	71,543	60,173
Exchange gains/(losses) recognised in profit or loss		(51)	746
Cost of inventories recognised as an expense		139,564	113,996
Write-down of inventories to net realisable value		1,915	2,693

In the reporting of financial information the Group uses certain measures that are not required under IFRS, the generally accepted accounting principles ('GAAP') under which the Group reports.

Adjusted profit before tax excludes the effect of one-off or fluctuating items, allowing stakeholders to understand results across years in a more consistent manner. The Group's management includes an adjusted profit before tax as a key performance indicator within the Strategic Report as one of the measures by which investors can assess the performance of the Group.

The reconciliation of Adjusted Profit Before Tax to Statutory Profit/(Loss) Before Tax is as follows:

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Adjusted Profit Before Tax	9,205	6,319
Property		
Vacant property and closure costs	(483)	(333)
Store impairments, reversal of impairments and lease exit gains and losses	2,462	(18,854)
Removal of notional depreciation on impaired assets	5,742	-
Non-operational warehouse costs	(1,122)	-
Business development		
CTD trading, one-off items and non-recurring costs, transaction costs and CMA investigation costs	(6,918)	(198)
Pro Tiler Tools share purchase expense	-	(3,166)
Restructuring and other one-off costs	(278)	-
Management succession		
Management succession	(346)	-
Statutory Profit/(Loss) Before Tax	8,262	(16,232)

Property related costs include impairment charges or impairment reversals of assets, depreciation of lease liabilities

Property related costs include impairment charges or impairment reversals of assets, derecognition of lease liabilities where we have exited a store, one-off gains and losses through sub-lets, costs relating to the store closure programme which ended in 2022, notional depreciation on impaired assets and costs associated with the distribution centre at the Prologis Park Pineham before operational use, costs associated with the warehouse being exited, and the relocation of the Pro Tiler operation to the new facility.

Business development costs include the financial impact of CTD, including trading performance, one-off and non-recurring costs, acquisition and integration costs, and the initial costs of the CMA investigation. In this period, the performance of CTD has been excluded from adjusted metrics due to the ongoing disruption caused by the CMA investigation. In the prior year, business development costs include the charges relating to the acquisition of Pro Tiler, including the cost associated with the purchase of the remaining 40% of shares which completed in March 2024. Restructuring costs relate to Board-approved decisions such as business closures or major organisational changes.

Analysis of the auditor's remuneration is provided below:

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Fees payable to the Company's auditor with respect to the Company's annual accounts	516	486
Fees payable to the Company's auditor and their associates for other audit services to the Group:		
Audit of the Company's subsidiaries pursuant to legislation	-	-
Total audit fees	516	486
Total non-audit fees	-	-
Total fees payable to the Company's auditors	516	486

Additional fees of £80,000 were incurred as part of the finalisation of the audit in 2024.

4 STAFF COSTS

The average monthly number of persons employed by the Group in the UK during the accounting period (including Executive Directors) was:

	52 weeks ended 27 September 2025 Number employed	52 weeks ended 28 September 2024 Number employed
Selling and distribution	1,417	1,385
Administration	469	381
	1,886	1,766

The average monthly number of persons (full-time equivalents) employed by the Group in the UK during the accounting period (including Executive Directors) was:

	52 weeks ended 27 September 2025 Number employed	52 weeks ended 28 September 2024 Number employed
Selling and distribution	1,315	1,297
Administration	463	377
	1,778	1,674

	2025 £'000	2024 £'000
Their aggregate remuneration comprised:		
Wages and salaries (including LTIP)	63,806	54,191
Social security costs	6,307	4,736
Other pension costs	1,430	1,246
	71,543	60,173

Employee profit sharing of £6.6 million (2024: £4.1 million) is included in the above and comprises sales commission and bonuses.

The total charge for share based payments recognised during the year was £0.2 million (2024: £0.3 million)

5 FINANCE INCOME AND FINANCE COSTS

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Finance income		
Bank interest receivable	214	610
Interest income from finance lease receivables	44	55
	258	665
Finance costs		
Interest on bank loans and overdrafts	(1,170)	(749)
Interest payable on lease liabilities	(6,125)	(4,731)
	(7,295)	(5,480)

No finance costs have been capitalised in the period, or the prior period.

6 TAXATION

52 weeks

	ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Current tax - charge for the period	360	265
Current tax - adjustment in respect of prior periods	(621)	720
Deferred tax - charge/(credit) for the period (note 15)	2,008	(3,201)
Deferred tax - adjustment in respect of prior periods (note 15)	527	(1,196)
Total tax charge/(credit)	2,274	(3,412)

The charge/(credit) for the period can be reconciled to the profit/(loss) per the Consolidated Statement of Profit or Loss as follows:

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Continuing operations:		
Profit/(loss) before taxation	8,262	(16,232)
Tax at the UK corporation tax rate of 25.0% (2024: 25.0%)	2,066	(4,052)
Expenses that are not deductible in determining taxable profit	225	896
Fixed asset differences (non-deductible expenses)	141	220
Non-taxable gains on property	(64)	-
Adjustment in respect of prior periods	(621)	720
Adjustments to tax charge in respect of prior periods - deferred tax	527	(1,196)
Tax charge/(credit) for the period	2,274	(3,412)

In the period, the Group has recognised a corporation tax credit directly to equity of £nil (2024: £nil) and a deferred tax charge to equity of £4,000 (2024: £4,000) in relation to the Group's share option schemes.

The Group continue to fully provide within current tax liabilities and other creditors for a historic tax claim relating to EU loss relief in relation to the closed Dutch business of £1,113,000 (2024: £1,071,000).

The applicable UK corporation tax rate was 25%.

7 DIVIDENDS

Amounts recognised as distributions to equity holders in the period:

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Final dividend for the period ended 28 September 2024 of £0.012 (2023: £0.024) per share	2,357	4,717
Interim dividend for the period ended 27 September 2025 of £0.008 (2024: £0.012) per share	1,572	2,360
Total dividend paid in the period	3,929	7,077
Proposed final dividend for the period ended 27 September 2025 of £0.021 (2024: £0.012) per share	4,126	2,360

The proposed final dividend for the period ended 27 September 2025 is subject to approval by shareholders at the Annual General Meeting and has not been included as a liability in these financial statements.

8 EARNINGS PER SHARE

The calculation of earnings per share is based on the earnings for the financial period attributable to equity shareholders and the weighted average number of ordinary shares.

	52 weeks ended 27 September 2025	52 weeks ended 28 September 2024
Weighted average number of issued shares for basic earnings per share	196,681,818	196,681,818
Weighted average impact of treasury shares for basic earnings per share	(134,599)	(64,344)
Total weighted average number of shares for basic earnings per share	196,547,219	196,617,474
Weighted average number of shares under option	2,668,897	2,116,731
For diluted earnings per share	199,216,116	198,734,205

	52 weeks ended 27 September 2025 £'000	52 weeks ended 28 September 2024 £'000
Profit/(loss) after tax for the period attributable to the parent	5,988	(13,033)
Adjusting items	762	17,730
Adjusted profit after tax for the period attributable to the parent	6,750	4,697
Earnings per ordinary share - basic	3.05p	(6.63p)
Earnings per ordinary share - diluted	3.01p	(6.63p)
Earnings per ordinary share - adjusted*	3.43p	2.39p

* Adjusted earnings per share is an adjusted performance measure used by the Group's management to plan for, control and assess the performance of the Group.

Diluted earnings per share for the prior period is not adjusted for the impact of the potential future conversion of preferred equity due to this instrument having an anti-dilutive effect, whereby the positive impact of adding back the associated financial costs to earnings outweighs the dilutive impact of conversion/exercise. Diluted adjusted earnings

allocated material costs to earnings earnings and the share impact of convertible preference. Listed adjusted earnings per share does take into account the impact of this instrument as shown in the table above setting out the weighted average number of shares. Due to the loss incurred in the prior year, in calculating the diluted loss per share, the share options, warrants and preferred equity are considered to be non-dilutive.

Adjusted earnings per share were calculated after adjusting for the post-tax impact of the following items: vacant property and closure costs of £412,000 (2024: £273,000), removal of notional depreciation on impaired assets of £4,306,000 (2024: £nil), store impairments and lease exit gains and losses of £1,705,000 gain (2024: £14,140,000 loss), Pro Tiler Tools share purchase expense of £nil (2024: £3,166,000), CTD trading losses of £1,152,000 (2024: £50,000), CTD one off costs £2,380,000 (2024: £nil), restructuring and other one-off costs of £209,000 (2024: £38,000), CMA advisory costs of £1,487,000 (2024: £63,000), management succession costs of £256,000 (2024: £nil) and non-operational warehouse costs of £877,000 (2024: £nil).

9 GOODWILL

	Notes	£'000
Cost		
At 28 September 2024		11,714
IFRS remeasurement	15	(2,328)
At 28 September 2024 (restated)		9,386
Disposals		(284)
Assets classified as held for sale	16	(257)
At 27 September 2025		8,845
Accumulated impairment losses		
At 28 September 2024		3,349
At 27 September 2025		3,349
Carrying amount		
At 27 September 2025		5,496
At 28 September 2024 (restated)		6,037

On 19 August 2024, the Group acquired certain trade and assets from CTD Tiles Limited. This included property, tangible assets and inventory. The excess of consideration paid against the fair value of assets and liabilities acquired was recognised as goodwill. At 28 September 2024, the Group recognised the fair values of assets acquired on a provisional basis in accordance with IFRS 3. At 27 September 2025, the fair values of assets acquired have been finalised within the 12 month period as permitted by IFRS 3. The goodwill and related assets are being allocated as a group of cash-generating units. Further information in relation to the acquired assets is described within Note 15. The remaining carrying value of goodwill relates to the acquisition of Pro Tiler Limited.

The Pro Tiler carrying amount is £2.1m and the CTD carrying amount is £3.4m.

The accumulated impairment losses relate to the goodwill recognised on the acquisition of Parkside Ceramics Limited in 2017 and Strata Tiles Limited in 2019, that were written down to £nil in a prior year.

10 INTANGIBLE ASSETS

	Brand £'000	Customer relationships £'000	Software £'000	Total £'000
Cost				
At 30 September 2023	6,405	1,042	1,384	8,831
Additions	-	-	89	89
Disposals	-	-	(156)	(156)
At 28 September 2024	6,405	1,042	1,317	8,764
IFRS remeasurement	807	1,524	-	2,331
At 28 September 2024 (restated)	7,212	2,566	1,317	11,095
Additions	-	-	165	165
At 27 September 2025	7,212	2,566	1,482	11,260
Accumulated amortisation				
At 30 September 2023	1,898	1,042	1,136	4,076
Amortisation charge for the period	532	-	151	683
Elimination on disposal	-	-	(156)	(156)
At 28 September 2024	2,430	1,042	1,131	4,603
Amortisation charge for the period	600	163	150	913
At 27 September 2025	3,030	1,205	1,281	5,516
Carrying amount				
At 27 September 2025	4,182	1,361	201	5,744
At 28 September 2024 (restated)	4,782	1,524	186	6,492

The carrying value of the brand assets were recognised on the acquisition of Pro Tiler Limited in 2022 and the acquisition of CTD in 2024. The carrying value of the Customer Relationships were recognised on the acquisition of CTD. Both the CTD Brand and Customer Relationships have been included in the current results following the finalisation of the fair values in the 12 month fair value period following the date of acquisition, as permitted by IFRS 3, and as detailed further in Note 15. Other brand and customer relationships assets relating to the acquisition of Parkside Ceramics Limited in 2017 and Strata Tiles Limited in 2019 were written down to £nil in a prior year.

Software is amortised on a straight-line basis over its estimated useful life of four years.

The Pro Tiler brand is amortised over a period of ten years on a straight-line basis and the CTD brand is amortised over a period of fourteen years on a straight-line basis. The remaining useful life of the Pro Tiler brand is seven years and the CTD brand is thirteen years.

The Customer Relationships are amortised over a period of eleven years on a straight-line basis. The remaining useful life is ten years.

Amortisation is included within other operating expenses within the Consolidated Statement of Profit or Loss.

11 PROPERTY, PLANT AND EQUIPMENT

	Freehold land and buildings £'000	Short Leasehold Improvements £'000	Fixtures And fittings £'000	Motor Vehicles £'000	Plant and Machinery £'000	Total £'000
Cost						
At 30 September 2023	1,304	1,264	85,324	74	313	88,279
Additions	-	42	4,101	50	-	4,193
Additions from business combinations	390	475	81	-	-	946
Disposals	-	(81)	(2,440)	-	(44)	(2,565)
At 28 September 2024	1,694	1,700	87,066	124	269	90,853
Additions	-	467	4,335	46	-	4,848
Reclassification of Asset Category ¹	(390)	390	-	-	-	-
Disposals	(505)	(232)	(2,648)	(15)	(145)	(3,545)
Assets classified as held for sale	-	(20)	(8)	-	-	(28)
At 27 September 2025	799	2,305	88,745	155	124	92,128
Accumulated depreciation						
At 30 September 2023	341	972	67,575	35	50	68,973
Charge for the period	32	77	4,505	15	38	4,667
Impairment charge	-	-	2,290	-	-	2,290
Eliminated on disposals	-	(81)	(2,287)	-	(37)	(2,405)
At 28 September 2024	373	968	72,083	50	51	73,525
Charge for the period	23	435	3,489	59	28	4,034
Reclassification of Asset Category	(5)	5	-	-	-	-
Impairment charge	-	-	759	-	-	759
Eliminated on disposals	(257)	(99)	(2,577)	(12)	(14)	(2,959)
Assets classified as held for sale	-	(6)	(1)	-	-	(7)
At 27 September 2025	134	1,303	73,753	97	65	75,352
Carrying amount						
At 27 September 2025	665	1,002	14,992	58	59	16,776
At 28 September 2024	1,321	732	14,983	74	218	17,328

¹ The CTD assets have been reclassified following further assessment as part of the finalisation of the fair value of the assets acquired, as detailed in Note 15.

Cumulative finance costs capitalised in the cost of tangible fixed assets amount to £nil (2024: £nil). Details of the impairment recognised are included in note 12.

All assets classified as property, plant and equipment are UK based.

12 LEASES

As a lessee

Right-of-use assets included in the Consolidated Statement of Financial Position were as follows:

	Land and buildings £'000	Equipment £'000	Total £'000
At 30 September 2023	77,982	2,939	80,921
Additions	10,947	1,624	12,571
Disposals	(3,419)	(24)	(3,443)
Depreciation	(16,006)	(1,624)	(17,630)
Impairment	(17,094)	-	(17,094)
At 28 September 2024	52,410	2,915	55,325
Additions	29,485	3,035	32,520
Disposals	(238)	(83)	(321)
Depreciation	(11,150)	(1,611)	(12,761)
Impairment	(3,986)	-	(3,986)
Reversal of impairment	7,170	-	7,170
At 27 September 2025	73,691	4,256	77,947

During the period, the Group has continued to review the performance of its store portfolio and the Group has provided for the net book value of right-of-use assets in relation to 88 stores (2024: 159 stores) and property, plant and equipment in relation to 49 stores (2024: 63 stores) that are impaired. The Group has reversed impairments where there is any indication that previously impaired assets may no longer be impaired, with reversals of impairment charges of right-of-use assets in relation to 93 stores (2024: no stores). The carrying value of store-based assets is £89.2 million (2024: £68.1 million). Due to forecast sales performance being inadequate to ensure that future expected cashflows support the carrying values of their assets, impairments have been recognised to the right-of-use assets of £4.0 million (2024: £17.1 million) and to the property, plant and equipment of £0.8 million (2024: £2.3 million). Where forecast sales performance has exceeded expectations which indicates that economic performance of the assets is better than expected, impairment reversals have been recognised to the right-of-use assets of £7.2 million (2024: £nil). There are other assets that are not linked to the store portfolio.

Lease liabilities included in the Consolidated Statement of Financial Position were as follows:

	Land and buildings £'000	Equipment £'000	Total £'000
At 30 September 2023	(91,407)	(3,095)	(94,502)
Additions	(10,729)	(1,624)	(12,353)

Disposals	3,807	24	3,831
Interest	(4,492)	(239)	(4,731)
Repayment of lease liabilities	19,889	1,901	21,790
At 28 September 2024	(82,932)	(3,033)	(85,965)
Additions	(27,369)	(2,971)	(30,340)
Disposals	541	83	624
Interest	(5,815)	(310)	(6,125)
Repayment of lease liabilities	20,320	1,694	22,014
At 27 September 2025	(95,255)	(4,537)	(99,792)

The maturity analysis of the lease liabilities is as follows:

	2025 £'000	2024 £'000
Current	(16,782)	(14,584)
Non-current	(83,010)	(71,381)
	(99,792)	(85,965)

The remaining contractual maturities of the lease liabilities, which are gross and undiscounted, are as follows:

	2025 £'000	2024 £'000
Less than one year	26,397	21,890
One to five years	60,713	54,737
More than five years	50,866	34,524
Total undiscounted lease liability	137,976	111,151

The following amounts have been recognised in the Consolidated Statement of Profit or Loss:

	Land and buildings 2025 £'000	Equipment 2025 £'000	Total 2025 £'000
Depreciation of right-of-use assets	11,150	1,611	12,761
Net reversal of impairment of right-of-use assets	(3,184)	-	(3,184)
Interest expense	5,815	310	6,125
Expenses relating to short-term leases	-	99	99
Holdover lease expense	5,734	540	6,274

	Land and buildings 2024 £'000	Equipment 2024 £'000	Total 2024 £'000
Depreciation of right-of-use assets	16,006	1,624	17,630
Impairment of right-of-use assets	17,094	-	17,094
Interest expense	4,492	239	4,731
Expenses relating to short-term leases	-	27	27
Holdover lease expense	2,736	154	2,890

The total cash outflow for leases held on the balance sheet during the financial period was £22.0 million (2024: £21.8 million). Cash outflow for short-term leases was £6.4 million (2024: £2.9 million).

As a lessor

Lease income from lease contracts in which the Group acts as a lessor is as below:

	2025 £'000	2024 £'000
Lease income (from operating leases)	263	401
Finance income (from finance leases)	44	55

The Group leases out a small number of properties, some of which are classified as operating leases, as they do not transfer substantially all of the risks and rewards incidental to the ownership of the assets.

In order to manage the risk associated with any rights retained in the underlying leased assets, the Group ensures that appropriate due diligence is undertaken in advance of formalising a lease arrangement with a lessee.

The carrying value of lease receivables is considered to be materially reflective of their fair value.

Some of the properties that the Group leases out are classified as finance leases. These are shown as other financial assets on the Consolidated Statement of Financial Position.

The following table sets out a maturity analysis of lease receivables, showing the undiscounted finance lease payments to be received after the reporting date:

	2025 £'000	2024 £'000
Less than one year	338	317
One to five years	1,138	1,323
More than five years	245	452
Total undiscounted lease payments receivable	1,721	2,092
Less: unearned finance income	(120)	(226)
Less: expected credit loss provision	(1)	(3)
Present value of minimum lease payments receivable	1,600	1,863
Current	298	210
Non-current	1,302	1,653
	1,600	1,863

Impairment

At the end of the financial year the carrying value of assets, including right-of-use lease assets, was assessed against their recoverable amount determined by reference to their value-in-use. Assets and expected cashflows were assessed at the lowest identifiable level of Cash Generating Unit ("CGU") where the expected cash inflows of each CGU were expected to be independent of those incurred by other CGUs. Individual retail stores are considered to be separate CGUs, which includes income from online orders that are click-and-collect. Pro Tiler Limited is treated as a separate CGU and the CTD goodwill and intangible assets acquired are treated as a group of CGUs as described in Note 10 and no impairment has been recognised.

Sustained macro-economic challenges principally within the first half of the year offset with overall Group results trading upwards in the second half which has resulted in the Group determining that a review was required across the entire store estate to identify potential impairments or reversals of previous impairment charges. As a consequence, all stores have been assessed, leading to an impairment charge to the value of right-of-use assets of £3,986k, which includes £997k relating to newly acquired stores, and reversals of previous impairment charges of £7,170k in the current year. The impairment reviews include management's assessment of current economic factors, such as movements in inflation, interest rates and the macro-economic environment. For stores that have been opened less than two years prior to the balance sheet date, a separate indicator assessment is performed whereby the actual cash inflows are compared against investment appraisals. The newly acquired stores predominantly relate to CTD. The impairment assessment on these stores is based on five year forecasted cash flows using net contributions by store which are assumed to align with the core estate by year three. Reversals of impairments are assessed based on trading performance in the year in comparison to previous cash flow forecasts and a reversal will be recognised if the economic performance of the store is better than expected due to factors such as increased trading volumes. Impairments or reversals of impairment charges are recognised if there are significant variances against expected cash flow profiles.

The value-in-use calculations require the application of a number of assumptions. The key assumptions used in the estimation of recoverable amounts are set out below:

Assumption	Description	Sensitivity
Pre-tax discount rate	This is calculated by reference to the weighted average cost of capital of the Group. At the year-end, the pre-tax discount rate applied to forecast cashflows was 21.9% (2024: 29.1%). The discount rate applied in the current period is lower than in the prior period due to changes in the underlying cash flow profile and the resulting pre-tax discount rate calculation.	An increase in pre-tax discount rate of 100bps at year-end would lead to an additional £0.2 million (2024: £0.3 million) impairment in the year.
Cashflow forecasts	Cashflows are derived from extrapolation of trading performance of identified CGUs. Management prepares growth rates applicable in the first five forecasted years based on expected year-on-year growth in cash contributions for stores. The long-term growth rate is applied to future years where relevant, however given the period of assessment does not always exceed five years, this is not considered to be a key assumption.	For all store-based assets, a decrease in short-term/ budgeted growth rates in the first five forecasted years of 100bps at year-end would lead to an additional £0.2 million (2024: £0.5 million) impairment in the year. For recently acquired stores, a decrease in the short-term/ budgeted growth rate for the second forecasted year of 1000bps at year-end would lead to an additional £0.2 million impairment in the year.

13 CASH AND CASH EQUIVALENTS

Cash and cash equivalents comprise cash held by the Group and short-term bank deposits. The carrying amount of these assets approximates their fair value. A breakdown of significant bank and cash balances by currency is as follows:

	2025 £'000	2024 £'000
Sterling	18,230	22,814
US dollar	46	735
Euro	158	133
Total cash and cash equivalents	18,434	23,682

Cash and cash equivalents are in the scope of the expected credit loss model under IFRS 9, however balances are held with recognised financial institutions and therefore the expected impairment loss is considered to be minimal.

14 BANK LOANS

	2025 £'000	2024 £'000
Revolving credit facility (all sterling)	11,000	14,996
The borrowings are repayable as follows:		
Greater than one year	11,000	15,000
Less: total unamortised issue costs	-	(4)
	11,000	14,996

The Directors consider that the carrying amount of the revolving credit facility at 27 September 2025 and 28 September 2024 approximates to its fair value since the amounts relate to floating rate debt.

The following is a reconciliation of changes in financial liabilities to movement in cash from financing activities:

Lease	Current	Non-current	Unamortised
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	liabilities £'000	borrowings £'000	borrowings £'000	issue costs £'000
As at 30 September 2023	94,502	-	-	100
Repayment of lease liabilities	(21,790)	-	-	-
Non-cash movement - Lease additions and disposals	8,522	-	-	-
Interest accrued on lease liabilities	4,731	-	-	-
Proceeds from revolving credit facility	-	-	23,500	-
Repayment of revolving credit facility	-	-	(8,500)	-
Unamortised issue costs	-	-	(4)	-
Issue costs incurred in the year	-	-	-	(100)
Amortisation of issue costs	-	-	-	150
As at 28 September 2024	85,965	-	14,996	150
Repayment of lease liabilities	(22,014)	-	-	-
Non-cash movement - Lease additions and disposals	29,716	-	-	-
Interest accrued on lease liabilities	6,125	-	-	-
Proceeds from revolving credit facility	-	-	21,000	-
Repayment of revolving credit facility	-	-	(25,000)	-
Unamortised issue costs	-	-	4	-
Issue costs incurred in the year	-	-	-	(150)
Amortisation of issue costs	-	-	-	79
As at 27 September 2025	99,792	-	11,000	79

At 27 September 2025, the Group had a revolving credit facility of £30.0 million, expiring in October 2027. As at the financial period end, £11.0 million of this was drawn (2024: £15.0 million), leaving £19.0 million of undrawn committed banking facilities. The loan facility contains financial covenants which are tested on a bi-annual basis. The Group did not breach any covenants in the period.

15 ACQUISITIONS

On 19 August 2024, the Group acquired certain intellectual property, tangible assets and inventory of CTD Tiles Limited (in administration), for cash consideration of £9 million which is deemed to be the fair value of the consideration. The business was acquired to add to the existing store portfolio of the Group, in addition to the commercial business and to enter into the housebuilder segment where the Group has limited or zero representation.

Due to the proximity of the transaction to the prior period reporting date, the purchase price allocation, including determination of the fair value of intangible assets recognised on consolidation, had not been finalised when the prior period financial statements were approved. As a result, the fair values assigned to all of the acquired assets were determined on a provisional basis in accordance with IFRS 3 'Business Combinations'.

The finalisation of the fair values, together with an assessment of goodwill and intangible assets acquired, was completed within the 12 month fair value period, as permitted by IFRS 3. The Group has adjusted the provisional amounts that were recorded in the prior period financial statements as detailed in the table below. As part of the purchase price allocation, the Group has recognised separately identifiable acquired intangible assets in accordance with IAS 38 and had their fair values assessed by an independent expert. The fair value adjustments in respect of acquired intangible assets were recognised in relation to the Brand and Customer Relationships, as detailed in Note 10, calculated using the excess earnings approach.

The fair values of the net assets acquired and liabilities assumed at the acquisition date were:

	Notes	Provisional Fair Value £'000	Fair Value Adjustments £'000	Final Fair Value £'000
Intangible Assets	10	-	2,331	2,331
Property, Plant and Equipment	11	946	-	946
Inventories		2,169	201	2,370
Provisions		(379)	379	-
Deferred Tax on Intangible Assets		-	(583)	(583)
Fair value of assets acquired		2,736	2,328	5,064
Total consideration		9,000	-	9,000
Goodwill		6,264	(2,328)	3,936

16 ASSETS CLASSIFIED AS HELD FOR SALE

During the period, the Group committed to a plan to sell certain CTD stores following the investigation conducted by the Competition and Markets Authority (CMA). The assets were classified as held for sale in accordance with IFRS 5. The carrying amounts of the assets, being goodwill (Note 9) and property, plant and equipment (Note 11), were remeasured to the lower of the carrying amount and fair value less costs to sell, being the sales contract. The fair value is categorised as level 2 within the fair value hierarchy. The assets are available for immediate sale in their present condition and the sale is considered highly probable within the next 12 months. Two of the three remaining stores held for sale have subsequently been sold in the period after the period end date and negotiations with the prospective buyer are ongoing in relation to the final store, with this expected to complete imminently. These are considered non-adjusting events in line with IAS10. The Group recognised an impairment loss of £107k in relation to the assets held for sale, which is included in other operating expenses in the Consolidated Statement of Profit or Loss. No further depreciation has been charged following the reclassification.

17 RELATED PARTY TRANSACTIONS

MS Galleon AG is a related party by virtue of their 29.8% shareholding (58,753,435 ordinary shares) in the Group's issued share capital (2024: 29.8% shareholding of 58,569,649 ordinary shares).

At 27 September 2025 MS Galleon AG is the owner of Cersanit, a supplier of ceramic tiles with whom the Group

made purchases of £652,236 during the year which is 0.5% of cost of goods sold (2024: purchases of £786,732 during year which is 0.7% of cost of goods sold).

An amount of £181,563 was outstanding with Cersanit at 27 September 2025 (2024: £145,008).

Transactions between the Company and its subsidiaries, which are related parties, have been eliminated on consolidation and are not disclosed in this note, in accordance with the exemption available under IAS 24.

18 POST BALANCE SHEET EVENTS

On 26 November 2025, the Group acquired the Fired Earth brand, associated IP, website and a provisional £2.5 million of stock, for a total cash consideration of £3 million. This will strengthen the Group's digital presence and adds a premium brand to the homeowner and trade business.

Reconciliations between Alternative Performance Measures (APMs) and IFRS

FOR THE 52 WEEKS ENDED 27 SEPTEMBER 2025

UNAUDITED

The Group's management uses adjusted performance measures to plan for, control and assess the performance of the Group. Management exercises judgement in determining the adjustments to apply to IFRS measurements in order to derive suitable APMs.

APMs are used as management believe these measures provide additional useful information on the trends, performance and position of the Group. These measures are used for performance analysis by the Board. The APMs are not defined by IFRS and therefore may not be directly comparable with other companies' APMs. These measures are not intended to be a substitute for, or superior to, IFRS measurements.

The following reconciliations have been included in this report to demonstrate how these APMs can be reconciled back to statutory measures as defined by IFRS.

TOPPS TILES LIKE-FOR-LIKE REVENUE AND YEAR ON YEAR MOVEMENT

	2025 £m	2024 £m	2025 %
Topps Tiles like-for-like revenue and year on year movement (APM)	217.5	206.5	5.3%
Stores trading for less than 52 weeks	1.1	3.9	(1.4%)
Topps Tiles like-for-like revenue and year on year movement (statutory)	218.6	210.4	3.9%

ADJUSTED REVENUE

	2025 £m	2024 £m
Adjusted revenue (APM)	265.4	248.5
CTD	30.4	3.3
Revenue (statutory)	295.8	251.8

ADJUSTED GROSS MARGIN

	2025 £m	2024 £m	2025 %	2024 %
Adjusted gross margin (APM)	142.7	132.5	53.8%	53.3%
CTD	11.6	1.8	(1.6%)	0.1%
Gross margin (statutory)	154.3	134.3	52.2%	53.4%

ADJUSTED OPERATING PROFIT

	2025 £m	2024 £m
Adjusted operating profit (APM)	15.5	11.0
Property		
Vacant property and closure costs	(0.5)	(0.3)
Store impairments, reversal of impairments and lease exit gains and losses	2.5	(18.8)
Removal of notional depreciation on impaired assets	5.7	-
Non-operational warehouse costs	(0.8)	-
Business development		
CTD trading, one-off items and non-recurring costs, transaction costs and CMA investigation costs	(6.5)	(0.2)
Pro Tiler Tools share purchase expense	-	(3.1)
Restructuring and other one-off costs	(0.3)	-
Management succession		
Management succession	(0.3)	-
Operating profit/(loss) (statutory)	15.3	(11.4)

ADJUSTED PROFIT BEFORE TAX

	2025 £m	2024 £m
Adjusted profit before tax (APM)	9.2	6.3
Property		
Vacant property and closure costs	(0.5)	(0.3)
Store impairments, reversal of impairments and lease exit gains and losses	2.5	(18.8)
Removal of notional depreciation on impaired assets	5.7	-
Non-operational warehouse costs	(1.1)	-
Business development		
CTD trading, one-off items and non-recurring costs, transaction costs and CMA investigation costs	(6.9)	(0.2)
Pro Tiler Tools share purchase expense	-	(3.2)
Restructuring and other one-off costs	(0.3)	-
Management succession		
Management succession	(0.3)	-
Profit/(loss) before tax (statutory)	8.3	(16.2)

ADJUSTED EARNINGS PER SHARE

	2025 pence	2024 pence
Adjusted earnings per share (APM)	3.43	2.39
Property		
Vacant property and closure costs	(0.20)	(0.14)
Store impairments, reversal of impairments and lease exit gains and losses	0.94	(7.19)
Removal of notional depreciation on impaired assets	2.18	-
Non-operational warehouse costs	(0.43)	-
Business development		
CTD trading, one-off items and non-recurring costs, transaction costs and CMA investigation costs	(2.63)	(0.08)
Pro Tiler Tools share purchase expense	-	(1.61)
Restructuring and other one-off costs	(0.11)	-
Management succession		
Management succession	(0.13)	-
Earnings per share (statutory)	3.05	(6.63)

ADJUSTED NET CASH AT PERIOD-END

	2025 £m	2024 £m
Adjusted net cash at period-end (APM)	7.4	8.7
Lease liabilities	(99.8)	(86.0)
Net debt at period-end (statutory)	(92.4)	(77.3)

RETURN ON CAPITAL EMPLOYED

	2025 £m	2025 %	2024 £m	2024 %
Return on capital employed (APM)		16.9%		12.2%

Calculated as the annual operating profit divided by the average capital employed, as follows:

Operating profit (adjusted)	15.5	11.0
Net assets	7.7	5.6
Cash and cash equivalents	(18.4)	(23.7)
Bank loans	11.0	15.0
Lease liabilities	99.8	86.0
Capital employed	100.1	82.9
Average capital employed (average of previous two financial periods)	91.5	90.2
Return on capital employed	16.9%	12.2%

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