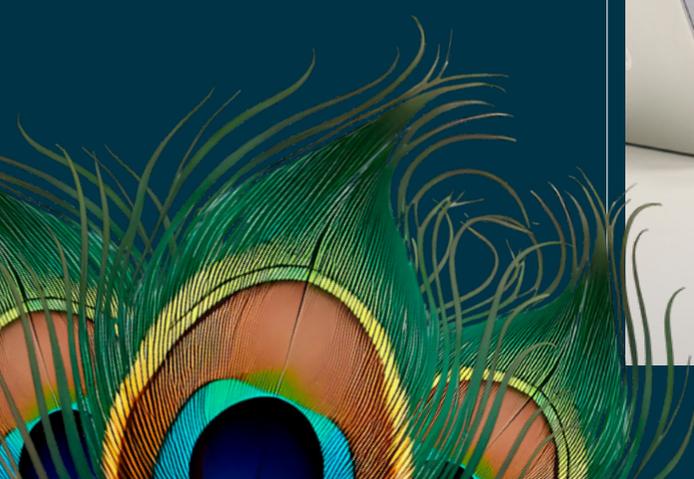


Financial statements

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Independent Auditor's report

To the members of Wickes Group Plc

1. Our opinion is unmodified

We have audited the financial statements of Wickes Group Plc ("the Company") for the 52 week period ended 27 December 2025 ("2025") which comprise the Consolidated income statement and other comprehensive income, Consolidated and Company balance sheet, Consolidated and Company statement of changes in equity, Consolidated cash flow statement and the related notes, including the accounting policies in note 2 to the Group financial statements and note C2 to the parent Company financial statements.

In our opinion:

- the financial statements give a true and fair view of the state of the Group's and of the parent Company's affairs as at 27 December 2025 and of the Group's profit for the 52 week period then ended;
- the Group financial statements have been properly prepared in accordance with UK-adopted international accounting standards;
- the parent Company financial statements have been properly prepared in accordance with UK accounting standards, including FRS 102 The Financial Reporting Standard applicable in the UK and Republic of Ireland; and
- the financial statements have been prepared in accordance with the requirements of the Companies Act 2006.

Basis for opinion

We conducted our audit in accordance with International Standards on Auditing (UK) ("ISAs (UK)") and applicable law. Our responsibilities are described below. We believe that the audit evidence we have obtained is a sufficient and appropriate basis for our opinion. Our audit opinion is consistent with our report to the Audit and Risk Committee.

We were first appointed as auditor by the Directors on 6 March 2020 prior to the parent Company becoming a Public Interest Entity. The period of total uninterrupted engagement is for the five financial years ended 27 December 2025 as a Public Interest Entity, and seven financial years in total. Prior to that we were also auditor to the Group's main trading subsidiary Wickes Building Supplies Limited, but which, being unlisted, was not a Public Interest Entity. We have fulfilled our ethical responsibilities under, and we remain independent of the Group in accordance with, UK ethical requirements including the FRC Ethical Standard as applied to listed public interest entities. No non-audit services prohibited by that standard were provided.

Overview

Materiality:	£2.3m (2024: £2.0m)
Group financial statements as a whole	4.6% (2024: 4.6%) of adjusted profit before tax

Key audit matters

vs 2024

Recurring risks	Recoverability of store assets	◀ ▶
	Design & Installation revenue recognition	◀ ▶
	Recoverability of parent Company's investment in subsidiary	◀ ▶

Independent Auditor's report continued

2. Key audit matters: our assessment of risks of material misstatement

Key audit matters are those matters that, in our professional judgement, were of most significance in the audit of the financial statements and include the most significant assessed risks of material misstatement (whether or not due to fraud) identified by us, including those which had the greatest effect on: the overall audit strategy; the allocation of resources in the audit; and directing the efforts of the engagement team. We summarise below the key audit matters, unchanged from 2024, in decreasing order of audit significance, in arriving at our audit opinion above, together with our key audit procedures to address those matters and, as required for public interest entities, our results from those procedures. These matters were addressed, and our results are based on procedures undertaken, in the context of, and solely for the purpose of, our audit of the financial statements as a whole, and in forming our opinion thereon, and consequently are incidental to that opinion, and we do not provide a separate opinion on these matters.

	The risk	Our response
<p>Recoverability of store assets Store assets carrying values (£670.1m, 2024: £678.3m) and impairment charge (£1.9m; 2024: net impairment charge of £16.8m)</p> <p>Refer to page 96 (Audit and Risk Committee Report), page 136 (accounting policy) and page 143 (financial disclosures).</p>	<p>Forecast based assessment: Store assets are significant and at risk of irrecoverability due to a number of factors, including underperformance of stores. The estimated recoverable amount of each of the stores is subjective due to the inherent uncertainty involved in forecasting and discounting future cash flows.</p> <p>In addition, significant judgement is required in determining the completeness of the population of stores for which there is an indicator of impairment.</p> <p>The effect of these matters is that, as part of our risk assessment, we determined that the value in use of store assets has a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. The financial statements (note 15) disclose the sensitivity estimated by the Group.</p>	<p>We performed the tests below rather than seeking to rely on any of the Group's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included:</p> <ul style="list-style-type: none"> – Our sector experience: We critically challenged the Group's assessment of impairment indicators using our knowledge of the Group and its operating environment, industry and market conditions, and other audit evidence; We critically assessed whether assumptions used, in particular those relating to forecast store revenue growth rate and gross margin reflect our knowledge of the business and industry, including known or probable changes in the business environment; – Test of details: We critically challenged whether the allocation of central costs to individual CGUs is reasonable and is deemed appropriate based on the nature of the costs; – Historical comparisons: We assessed the reasonableness of the forecasts by considering the historical accuracy of previous forecasts; – Benchmarking assumptions: We critically challenged the key inputs used in the Group's calculation of the discount rate, with the use of our own valuation specialists, by comparing them to externally derived data; – Sensitivity analysis: We performed our own sensitivity analysis on the forecasts, including a reduction in assumed growth rate and gross margin, and increase in the discount rate; and – Assessing transparency: We assessed whether the Group's disclosures regarding the sensitivity of the outcome of the impairment assessment to changes in key assumptions appropriately reflects the risks inherent in the recoverable amount of store assets. <p>We performed an assessment of whether an understatement of the impairment charge identified through these procedures was material.</p> <p>Our results: We found the store assets carrying values, and the related impairment charge to be acceptable (2024: We found the store assets carrying values and the related net impairment charge to be acceptable).</p>

Independent Auditor's report continued

2. Key audit matters: our assessment of risks of material misstatement continued

	The risk	Our response
<p>Design & Installation revenue recognition Design & Installation revenue (£427.3m, 2024: £409.3m) Refer to page 96 (Audit and Risk Committee Report), page 132 (accounting policy) and page 136 (financial disclosures).</p>	<p>Existence of Design & Installation revenue: Professional standards require us to presume (unless rebutted) that the fraud risk from revenue recognition is a significant risk. In our view this risk is most prevalent in Design & Installation revenue, and judgement exists as to whether performance obligations (delivery and/or installation) have been satisfied. We consider the risk to relate to the existence of Design & Installation revenue recognised in respect of delivery and installation and delivery only orders received in the final 13 and 10 weeks of the period respectively, based on our risk assessment of the average time taken for the performance obligations on orders to be satisfied. The risk is specifically relating to the incentive for management to manipulate the results in order to achieve performance expectations, and the fraud risk factors specific to the Group indicate there may be an incentive to accelerate income recognition in the current period.</p>	<p>We performed the detailed tests below rather than seeking to rely on any of the Group's controls because our knowledge of the design of these controls indicated that we would not be able to obtain the required evidence to support reliance on controls. Our procedures included:</p> <ul style="list-style-type: none"> – Expectation vs Outcome: We performed an analysis of the order data and compared this to our expectation of: <ul style="list-style-type: none"> – the monthly order profile; – the revenue and deferral profile of orders; and – the revenue profile by order date; <p>We corroborated any outliers from this testing.</p> <ul style="list-style-type: none"> – Test of details: We carried out sample testing of revenue recognised on Design & Installation orders received in the period, to assess whether they satisfied the criteria for recognising revenue in the financial period, This included agreeing to delivery and/or installation documentation, where applicable. <p>Our results: We considered the amount of Design & Installation revenue recognised in the financial period, to be acceptable (2024: acceptable).</p>
<p>Recoverability of parent Company's investment in subsidiary Investment in subsidiary carrying value (£560.0m, 2024: £556.8m) and impairment charge (£nil; 2024: £49.3m) Refer to page 96 (Audit and Risk Committee Report), page 157 (accounting policy) and page 158 (financial disclosures).</p>	<p>Forecast based assessment: The carrying amount of the parent Company's investment in its subsidiary is significant. The estimated recoverable amount of this balance is subjective due to the inherent uncertainty involved in forecasting. In addition, it relies on a number of key assumptions, most notably those related to revenue growth and gross margin as well as the long term growth rate and pre tax discount rate assumptions, all of which involve a high degree of estimation uncertainty. The effect of these matters is that, as part of our risk assessment for audit planning purposes, we determined that the recoverability of parent Company's investment in subsidiary had a high degree of estimation uncertainty, with a potential range of reasonable outcomes greater than our materiality for the financial statements as a whole. In conducting our final audit work, we identified that the risk related to an impairment charge had reduced and consideration was also given as to the possible requirement for a reversal of previously recorded impairment. The financial statements (note C6) disclose the sensitivity estimated by the Company.</p>	<p>We performed the tests below rather than seeking to rely on any of the Company's controls because the nature of the balance is such that we would expect to obtain audit evidence primarily through the detailed procedures described. Our procedures included:</p> <ul style="list-style-type: none"> – Our sector experience: We challenged the assumptions used in the cash flows included in the discounted cash flow calculation, including the assumptions related to forecast revenue growth rate and gross margin based on our knowledge of the Group and the markets in which it operates; – Historical comparisons: We assessed the reasonableness of the cash flow forecasts by considering the historical accuracy of the previous forecasts; – Benchmarking assumptions: We critically challenged the key inputs used in the Group's calculation of the discount rates, with the use of our own valuation specialists, and the long term growth rate by comparing them to externally derived data; – Sensitivity analysis: We performed our own sensitivity analysis on the forecasts, including a reduction in assumed revenue growth, gross margin, growth rate in the terminal value, and increase in discount rates; – Comparing valuations: We obtained and corroborated explanations regarding significant differences between market capitalisation and the equity value of the investment; and – Assessing transparency: We assessed whether the parent Company's disclosures regarding the sensitivity of the outcome of the impairment assessment to changes in key assumptions appropriately reflects the risks inherent in the recoverable amount of investment in subsidiary. <p>Our results: We found the parent Company's conclusion that there is no impairment of its investment in subsidiary to be acceptable (2024: We found the balance of the parent Company's investment in subsidiary and the related impairment charge to be acceptable)</p>

Independent Auditor's report continued

3. Our application of materiality and an overview of the scope of our audit

Our application of materiality

Materiality for the Group financial statements as a whole was set at £2.3m (2024: £2.0m), determined with reference to a benchmark of Group profit before tax, normalised to exclude adjusting items of £1.2m (2024: £20.4m) as disclosed in note 9, of which it represents 4.6% (2024: 4.6%). We adjusted for these items because they do not represent the continuing operations of the Group.

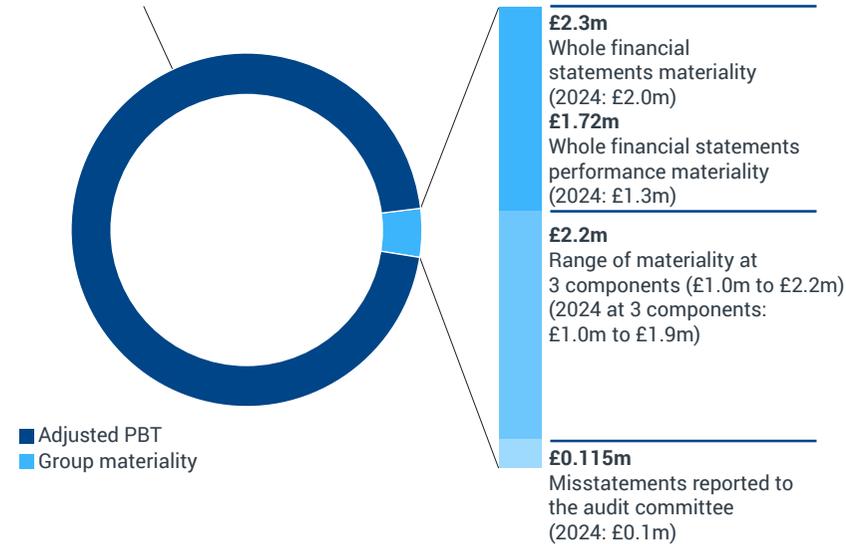
Materiality for the parent Company financial statements as a whole was set at £2.2m (2024: £1.9m), determined with reference to a benchmark of Company total assets, of which it represents 0.4% (2024: 0.3%).

In line with our audit methodology, our procedures on individual account balances and disclosures were performed to a lower threshold, performance materiality, so as to reduce to an acceptable level the risk that individually immaterial misstatements in individual account balances add up to a material amount across the financial statements as a whole.

Performance materiality was set at 75% (2024: 65%) of materiality for the financial statements as a whole, which equates to £1.72m (2024: £1.3m) for the Group and £1.65m (2024: £1.2m) for the parent Company. We applied this percentage in our determination of performance materiality because we did not identify any factors indicating an elevated level of risk during the prior period.

We agreed to report to the Audit and Risk Committee any corrected or uncorrected identified misstatements exceeding £0.115m (2024: £0.1m), in addition to other identified misstatements that warranted reporting on qualitative grounds.

Group adjusted profit before tax
£49.9m
(2024: £43.6m)



Overview of the scope of our audit

We performed risk assessment procedures to determine which of the Group's components are likely to include risks of material misstatement to the Group financial statements and which procedures to perform at these components to address those risks.

In total, we identified 6 (2024: 6) components, having considered our evaluation of the Group's operational structure, the Group's legal structure, the existence of common information systems, the existence of common risk profile across entities and other audit specific factors and our ability to perform audit procedures centrally.

Group materiality
£2.3m
(2024: £2.0m)

£2.3m
Whole financial statements materiality
(2024: £2.0m)

£1.72m
Whole financial statements performance materiality
(2024: £1.3m)

£2.2m
Range of materiality at 3 components (£1.0m to £2.2m)
(2024 at 3 components: £1.0m to £1.9m)

£0.115m
Misstatements reported to the audit committee
(2024: £0.1m)

We set the component materialities, ranging from £1m to £2.2m (2024: £1m to £1.9m), having regard to size and risk profile.

Our audit procedures covered 99% (2024: 99%) of Group revenue. We performed audit procedures in relation to components that accounted for 97% (2024: 99%) of Group total profits and losses that make up Group adjusted profit before tax and 99% (2024: 99%) of Group total assets.

For the remaining components, no component represented more than 3% (2024: 1%) of Group total revenue, Group total profit and losses that make up Group adjusted profit before tax or Group total assets. We performed analysis at a Group level to re-examine our assessment that there is not a risk of material misstatement relating to these components.

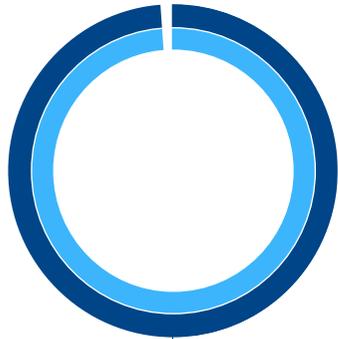
Of those, we identified 2 (2024: 2) quantitatively significant components which contained the largest percentages of either total revenue or total assets of the Group, for which we performed audit procedures.

We also identified 1 (2024: 1) component as requiring special audit consideration, owing to Group risk relating to treasury residing in the component.

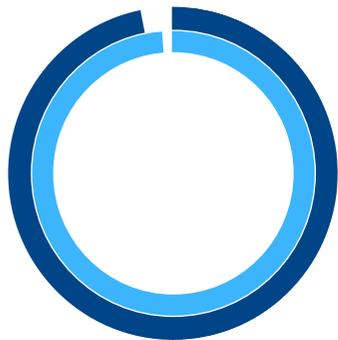
Accordingly, the audit procedures on 3 (2024: 3) components including the audit of the parent Company were completed by the Group Auditor, who also performed procedures on those items excluded from adjusted profit before tax.

Independent Auditor's report continued

We performed audit procedures in relation to components that accounted for the following percentages of Group adjusted profit before tax and Group total assets:



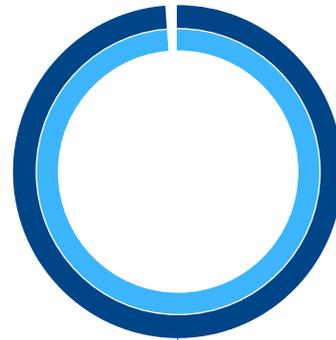
Group total assets
99% (2024: 99%)



Group total profit and losses
that make up Group
adjusted profit before tax
97% (2024: 99%)

■ 2025 ■ 2024

Our audit procedures covered the following percentage of Group revenue:



Group revenue
99% (2024: 99%)

■ 2025 ■ 2024

Impact of controls on our group audit

We identified the central finance operating system to be the main IT system relevant to our audit. We used our IT auditors to assist us in obtaining an understanding of this IT system.

In our previous audit we identified IT control deficiencies in respect of this system. In the current period, as part of obtaining an understanding of the IT system, we identified that these deficiencies had not been fully remediated, and therefore we were not able to rely on general IT controls for this system in our audit. As a result, we expanded the scope of our substantive testing. As we were not able to rely on automated controls on journal entries, our work to respond to the risk of management override of controls considered both automated and manual journals.

In relation to some key transactional areas, including Design & Installation revenue (as set out in our Key Audit Matter in section 2 of our report) and Retail revenue, we took a fully substantive approach as we were unable to rely on manual controls in these areas.

For all other areas of the audit, except for inventory, we took a predominantly substantive approach considering the efficiency and effectiveness of approaches to gaining the appropriate audit evidence.

Given we did not rely upon controls in these areas, we performed additional substantive testing to respond to certain risks identified. This included direct manual testing over the completeness and reliability of data used in our data-orientated approach over testing journals, Design & Installation revenue and retail revenue.

For inventory, we tested the operating effectiveness of and were able to rely on the Group's inventory cycle count controls and therefore were able to reduce the extent of our substantive procedures in this area.

4. The impact of climate change on our audit

We considered the impacts of climate change on the financial statements as part of our planning of the Group audit, including enquiries of the Directors to understand the extent of the potential impact of climate change risk on the Group's financial statements and the Group's preparedness for this. The key areas of our consideration included the Group's plan to be a net zero business by 2050, and to decarbonise various parts of the business.

We did not consider that any specific areas of the financial statements were materially affected by assumptions or commitments made in relation to climate change.

There was no significant impact of this on our key audit matters.

We also read the disclosure of climate related information in the front half of the annual report and considered consistency with the financial statements and our audit knowledge. We have not been engaged to provide assurance over the accuracy of these disclosures.

5. Going concern

The Directors have prepared the financial statements on the going concern basis as they do not intend to liquidate the Group or the Company or to cease their operations, and as they have concluded that the Group's and the Company's financial position means that this is realistic. They have also concluded that there are no material uncertainties that could have cast significant doubt over their ability to continue as a going concern for at least a year from the date of approval of the financial statements ("the going concern period").

We used our knowledge of the Group, its industry, and the general economic environment to identify the inherent risks to its business model and analysed how those risks might affect the Group's and parent Company's financial resources or ability to continue operations over the going concern period. The risk that we considered most likely to adversely affect the Group's and parent Company's available financial resources over this period was the impact on the demand for the Group's products which may impact Group performance for the 2026 period end.

We also considered less predictable but realistic second order impacts, such as cyber risks and the erosion of customer confidence, which could result in a rapid reduction of available financial resources.

We considered whether these risks could plausibly affect the liquidity in the going concern period, including by assessing the degree of downside assumption that, individually and collectively, could result in a liquidity issue, taking into account the Group's current and projected cash, facilities and mitigations.

We considered whether the going concern disclosure in note 1 to the financial statements gives a full and accurate description of the Directors' assessment of going concern, including the identified risks, and related sensitivities.

Independent Auditor's report continued

Our conclusions based on this work:

- we consider that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate;
- we have not identified, and concur with the Directors' assessment that there is not, a material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the Group's or parent Company's ability to continue as a going concern for the going concern period;
- we have nothing material to add or draw attention to in relation to the Directors' statement in note 1 to the financial statements on the use of the going concern basis of accounting with no material uncertainties that may cast significant doubt over the Group and parent Company's use of that basis for the going concern period, and we found the going concern disclosure in note 1 to be acceptable; and
- the related statement under the UK Listing Rules set out on page 71 is materially consistent with the financial statements and our audit knowledge.

However, as we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the above conclusions are not a guarantee that the Group or the Company will continue in operation.

6. Fraud and breaches of laws and regulations – ability to detect Identifying and responding to risks of material misstatement due to fraud

To identify risks of material misstatement due to fraud ("fraud risks") we assessed events or conditions that could indicate an incentive or pressure to commit fraud or provide an opportunity to commit fraud. Our risk assessment procedures included:

- Enquiring of the Directors and Audit and Risk Committee as to the Group's high-level policies and procedures to prevent and detect fraud, including the internal audit function, as well as whether they have knowledge of any actual, suspected or alleged fraud.
- Reading Board, Property and Audit and Risk Committee minutes.
- Considering remuneration incentive schemes and performance targets for management (including Directors) including the profit target for management remuneration.
- Using analytical procedures to identify any unusual or unexpected relationships.

We communicated identified fraud risks throughout the audit team and remained alert to any indications of fraud throughout the audit.

As required by auditing standards, and taking into account possible pressures to meet profit targets, we perform procedures to address the risk of management override of controls and the risk of fraudulent revenue recognition, in particular:

- the risk that Group management may be in a position to make inappropriate accounting entries;
- the risk of bias in accounting estimates; and
- the risk that Design & Installation revenue is overstated through recording revenues in the wrong period in order to increase the likelihood of management meeting profit targets for the period.

We did not identify any additional fraud risks.

Further detail in respect of the Design & Installation revenue risk is set out in the key audit matter disclosures in section 2 of this report. We also performed procedures including:

- Identifying journal entries and other adjustments to test based on risk criteria and comparing the identified entries to supporting documentation. These included those posted by certain Executive Directors and unusual account pairings.
- Evaluate the business purpose of significant unusual transactions.
- Assessing whether the judgements made in making accounting estimates are indicative of a potential bias.

Identifying and responding to risks of material misstatement due to non-compliance with laws and regulations

We identified areas of laws and regulations that could reasonably be expected to have a material effect on the financial statements from our general commercial and sector experience, and through discussion with the Directors and other management (as required by auditing standards) and discussed with the Directors and other management, policies and procedures regarding compliance with laws and regulations.

As the Group is regulated, our assessment of risks involved gaining an understanding of the control environment including the entity's procedures for complying with regulatory requirements.

We communicated identified laws and regulations throughout our team and remained alert to any indications of non-compliance throughout the audit. The potential effect of these laws and regulations on the financial statements varies considerably.

Firstly, the Group is subject to laws and regulations that directly affect the financial statements including financial reporting legislation (including related companies legislation), distributable profits legislation, and taxation legislation, consumer rights act, Corporate Governance Code, FCA listing rules and we assessed the extent of compliance with these laws and regulations as part of our procedures on the related financial statement items.

Secondly, the Group is subject to many other laws and regulations where the consequences of non-compliance could have a material effect on amounts or disclosures in the financial statements, for instance through the imposition of fines or litigation or the loss of the Group's licence to operate. We identified the following areas as those most likely to have such an effect: GDPR and UK data protection act, health and safety, fraud and antibribery, marketing and advertising regulations, employment law, anti-competition legislation, Modern slavery and human rights regulations, market abuse regulations, consumer credit law, and certain aspects of company legislation recognising the financial and regulated nature of the Group's activities and its legal form. Auditing standards limit the required audit procedures to identify non-compliance with these laws and regulations to enquiry of the Directors and other management and inspection of regulatory and legal correspondence, if any. Therefore if a breach of operational regulations is not disclosed to us or evident from relevant correspondence, an audit will not detect that breach.

Independent Auditor's report continued

Context of the ability of the audit to detect fraud or breaches of law or regulation

Owing to the inherent limitations of an audit, there is an unavoidable risk that we may not have detected some material misstatements in the financial statements, even though we have properly planned and performed our audit in accordance with auditing standards. For example, the further removed non-compliance with laws and regulations is from the events and transactions reflected in the financial statements, the less likely the inherently limited procedures required by auditing standards would identify it.

In addition, as with any audit, there remained a higher risk of non-detection of fraud, as these may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls. Our audit procedures are designed to detect material misstatement. We are not responsible for preventing non-compliance or fraud and cannot be expected to detect non-compliance with all laws and regulations.

7. We have nothing to report on the other information in the Annual Report & Accounts

The Directors are responsible for the other information presented in the Annual Report together with the financial statements. Our opinion on the financial statements does not cover the other information and, accordingly, we do not express an audit opinion or, except as explicitly stated below, any form of assurance conclusion thereon.

Our responsibility is to read the other information and, in doing so, consider whether, based on our financial statements audit work, the information therein is materially misstated or inconsistent with the financial statements or our audit knowledge. Based solely on that work we have not identified material misstatements in the other information.

Strategic report and Directors' report

Based solely on our work on the other information:

- we have not identified material misstatements in the strategic report and the directors' report;
- in our opinion the information given in those reports for the financial year is consistent with the financial statements; and
- in our opinion those reports have been prepared in accordance with the Companies Act 2006.

Directors' remuneration report

In our opinion the part of the Directors' Remuneration Report to be audited has been properly prepared in accordance with the Companies Act 2006.

Disclosures of emerging and principal risks and longer-term viability

We are required to perform procedures to identify whether there is a material inconsistency between the Directors' disclosures in respect of emerging and principal risks and the viability statement, and the financial statements and our audit knowledge.

Based on those procedures, we have nothing material to add or draw attention to in relation to:

- the directors' confirmation within the viability statement that they have carried out a robust assessment of the emerging and principal risks facing the Group, including those that would threaten its business model, future performance, solvency and liquidity;
- the Principal risks and uncertainties disclosures describing these risks and how emerging risks are identified, and explaining how they are being managed and mitigated; and

- the Directors' explanation in the viability statement of how they have assessed the prospects of the Group, over what period they have done so and why they considered that period to be appropriate, and their statement as to whether they have a reasonable expectation that the Group will be able to continue in operation and meet its liabilities as they fall due over the period of their assessment, including any related disclosures drawing attention to any necessary qualifications or assumptions.

We are also required to review the viability statement, set out on page 70 under the UK Listing Rules. Based on the above procedures, we have concluded that the above disclosures are materially consistent with the financial statements and our audit knowledge.

Our work is limited to assessing these matters in the context of only the knowledge acquired during our financial statements audit. As we cannot predict all future events or conditions and as subsequent events may result in outcomes that are inconsistent with judgements that were reasonable at the time they were made, the absence of anything to report on these statements is not a guarantee as to the Group's and parent Company's longer-term viability.

Corporate Governance disclosures

We are required to perform procedures to identify whether there is a material inconsistency between the directors' Corporate Governance disclosures and the financial statements and our audit knowledge.

Based on those procedures, we have concluded that each of the following is materially consistent with the financial statements and our audit knowledge:

- the Directors' statement that they consider that the annual report and financial statements taken as a whole is fair, balanced and understandable, and provides the information necessary for shareholders to assess the Group's position and performance, business model and strategy;

- the section of the annual report describing the work of the Audit and Risk Committee, including the significant issues that the Audit and Risk Committee considered in relation to the financial statements, and how these issues were addressed; and
- the section of the annual report that describes the review of the effectiveness of the Group's risk management and internal control systems.

We are required to review the part of the Corporate Governance Statement relating to the Group's compliance with the provisions of the UK Corporate Governance Code specified by the UK Listing Rules for our review. We have nothing to report in this respect.

8. We have nothing to report on the other matters on which we are required to report by exception

Under the Companies Act 2006, we are required to report to you if, in our opinion:

- adequate accounting records have not been kept by the parent Company, or returns adequate for our audit have not been received from branches not visited by us; or
- the parent Company financial statements and the part of the Directors' Remuneration Report to be audited are not in agreement with the accounting records and returns; or
- certain disclosures of Directors' remuneration specified by law are not made; or
- we have not received all the information and explanations we require for our audit.

We have nothing to report in these respects.

Independent Auditor's report continued

9. Respective responsibilities

Directors' responsibilities

As explained more fully in their statement set out on page 117, the Directors are responsible for: the preparation of the financial statements including being satisfied that they give a true and fair view; such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error; assessing the Group and parent Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern; and using the going concern basis of accounting unless they either intend to liquidate the Group or the parent Company or to cease operations, or have no realistic alternative but to do so.

Auditor's responsibilities

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue our opinion in an auditor's report. Reasonable assurance is a high level of assurance, but does not guarantee that an audit conducted in accordance with ISAs (UK) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the financial statements.

A fuller description of our responsibilities is provided on the FRC's website at www.frc.org.uk/auditorsresponsibilities.

The Company is required to include these financial statements in an annual financial report prepared under Disclosure Guidance and Transparency Rule 4.1.17R and 4.1.18R. This auditor's report provides no assurance over whether the annual financial report has been prepared in accordance with those requirements.

10. The purpose of our audit work and to whom we owe our responsibilities

This report is made solely to the Company's members, as a body, in accordance with Chapter 3 of Part 16 of the Companies Act 2006. Our audit work has been undertaken so that we might state to the Company's members those matters we are required to state to them in an auditor's report and for no other purpose. To the fullest extent permitted by law, we do not accept or assume responsibility to anyone other than the Company and the Company's members, as a body, for our audit work, for this report, or for the opinions we have formed.

Heidi Broom-Hirst

Senior Statutory Auditor

for and on behalf of KPMG LLP, Statutory Auditor

Chartered Accountants
15 Canada Square
London
E14 5GL

16 March 2026

Consolidated Income Statement and Other Comprehensive Income

(£m)	Notes	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Revenue ⁽¹⁾	5	1,636.2	1,544.5
Cost of sales ⁽¹⁾		(1,032.4)	(977.9)
Gross profit		603.8	566.6
Selling costs		(359.3)	(364.9)
Administrative expenses		(173.9)	(154.4)
Operating profit	6	70.6	47.3
Finance income ⁽²⁾	7	10.2	7.3
Finance costs ⁽²⁾	7	(32.1)	(31.4)
Profit before tax		48.7	23.2
Tax	10	(10.9)	(4.8)
Profit for the period and total comprehensive income		37.8	18.4
Attributable to:			
Owners of the parent		38.5	18.1
Non-controlling interest		(0.7)	0.3
Profit for the period and total comprehensive income		37.8	18.4
Earnings per share			
Basic	11	16.8p	7.7p
Diluted	11	16.4p	7.5p
Adjusted results ⁽³⁾			
Adjusted gross profit	9	605.9	565.1
Adjusted operating profit	9	74.8	67.4
Adjusted profit before tax	9	49.9	43.6
Adjusted profit after tax	9	39.2	33.9
Adjusted basic earnings per share	11	17.4p	14.1p
Adjusted diluted earnings per share	11	17.0p	13.9p

(1) Comparative information in respect of revenue and cost of sales has been amended for delivery income. For details of the re-presentation, see note 5.

(2) Comparative information in respect of finance income and costs have been re-presented to show the figures gross, as per note 7.

(3) Defined in the summary of accounting policies (note 2)

Consolidated Balance Sheet

(£m)	Notes	As at 27 December 2025	As at 28 December 2024
Assets			
Non-current assets			
Goodwill	12	12.6	12.6
Other intangible assets	12	6.1	10.0
Property, plant and equipment	13	116.6	113.3
Right-of-use assets	14	579.9	562.5
Derivative financial instruments	29	3.0	0.2
Deferred tax asset	16	26.1	29.8
Total non-current assets		744.3	728.4
Current assets			
Inventories	18	199.4	192.9
Trade and other receivables	19	63.7	70.6
Derivative financial instruments	29	–	0.7
Cash and cash equivalents	20	91.7	86.3
Corporation tax receivable		1.6	–
Total current assets		356.4	350.5
Total assets		1,100.7	1,078.9

(£m)	Notes	As at 27 December 2025	As at 28 December 2024
Equity and liabilities			
Capital and reserves			
Issued share capital	21	23.3	24.2
Capital redemption reserve		2.7	1.8
EBT share reserve	21	(13.7)	(0.5)
Other reserves	21	(785.7)	(785.7)
Retained earnings		903.9	905.5
Equity attributable to owners of the parent		130.5	145.3
Non-controlling interest		0.4	1.1
Total equity		130.9	146.4
Non-current liabilities			
Lease liabilities	14, 23	635.5	624.9
Long-term provisions	24	1.8	1.4
Total non-current liabilities		637.3	626.3
Current liabilities			
Lease liabilities	14, 23	84.3	80.4
Trade and other payables	25	237.5	212.6
Corporation tax payable		–	3.5
Derivative financial instruments	29	1.3	–
Short-term provisions	24	9.4	9.7
Total current liabilities		332.5	306.2
Total liabilities		969.8	932.5
Total equity and liabilities		1,100.7	1,078.9

The consolidated financial statements of Wickes Group Plc, registered number 12189061, were approved by the Board of Directors on 16 March 2026 and signed on its behalf by:

David Wood
Chief Executive Officer

Mark George
Chief Financial Officer

Consolidated Statement of Changes in Equity

(£m)	Notes	Issued share capital	Capital redemption reserve	EBT share reserve	Other reserves	Retained earnings	Total equity
At 30 December 2023		25.2	0.8	(0.7)	(785.7)	923.7	163.3
Profit for the period and other comprehensive income		–	–	–	–	18.1	18.1
Dividends paid	26	–	–	–	–	(26.1)	(26.1)
Share buyback and cancellation	21	(1.0)	1.0	–	–	(15.1)	(15.1)
Equity-settled share-based payments		–	–	0.2	–	3.4	3.6
Tax on equity-settled share-based payments		–	–	–	–	1.5	1.5
Owners of parent		24.2	1.8	(0.5)	(785.7)	905.5	145.3
Retained earnings attributable to non-controlling interest		–	–	–	–	1.1	1.1
At 28 December 2024		24.2	1.8	(0.5)	(785.7)	906.6	146.4
Profit for the period and other comprehensive income		–	–	–	–	38.5	38.5
Dividends paid	26	–	–	–	–	(24.8)	(24.8)
Share buyback and cancellation	21	(0.9)	0.9	–	–	(20.1)	(20.1)
Purchase of own shares		–	–	(18.1)	–	–	(18.1)
Equity-settled share-based payments		–	–	4.9	–	5.1	10.0
Tax on equity-settled share-based payments		–	–	–	–	(0.3)	(0.3)
Owners of parent		23.3	2.7	(13.7)	(785.7)	903.9	130.5
Retained earnings attributable to non-controlling interest		–	–	–	–	0.4	0.4
At 27 December 2025		23.3	2.7	(13.7)	(785.7)	904.3	130.9

Consolidated Cash Flow Statement

(£m)	Notes	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Cash flows from operating activities			
Operating profit		70.6	47.3
Adjustments for:			
Amortisation of other intangible assets	12	6.0	6.6
Depreciation of property, plant and equipment	13	22.1	22.3
Depreciation of right-of-use assets	14	76.6	76.7
Impairment of other intangible assets	12	0.3	–
Impairment of property, plant and equipment	15	0.2	5.8
Impairment of right-of-use assets	15	1.7	12.3
Reversal of impairment of right-of-use assets	15	–	(1.3)
Gains on terminations of leases	6	(0.2)	–
Losses on disposal of property, plant and equipment	6	0.5	0.3
Derivative fair value losses/(gains)	9	2.1	(1.5)
Share-based payments	27	4.4	3.5
Operating cash flows		184.3	172.0
Movements in working capital:			
(Increase)/decrease in inventories		(6.5)	3.2
Decrease in trade and other receivables		6.8	4.0
Increase/(decrease) in trade and other payables		21.4	(7.1)
Increase/(decrease) in provisions		0.1	(1.5)
Cash generated from operations		206.1	170.6
Income taxes paid		(12.2)	(8.6)
Net cash inflow from operating activities		193.9	162.0

(£m)	Notes	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Cash flows from investing activities			
Purchases of property, plant and equipment		(22.8)	(24.6)
Development costs of computer software		(2.4)	(1.5)
Proceeds on disposal of property, plant and equipment		–	6.3
Acquisition of business net of cash acquired		–	(2.3)
Interest received		7.3	7.4
Net cash outflow from investing activities		(17.9)	(14.7)
Cash flows from financing activities			
Interest paid		(1.1)	(1.4)
Interest on lease liabilities		(31.1)	(30.1)
Payment of principal of lease liabilities		(82.9)	(84.3)
Lease incentives received		1.9	0.9
Own shares purchased for share schemes, net of cash received from employees	21	(12.5)	–
Share buyback		(20.1)	(15.1)
Dividends paid to equity holders of the parent	26	(24.8)	(26.1)
Dividends paid to non-controlling interest		–	(2.4)
Net cash outflow from financing activities		(170.6)	(158.5)
Net increase/(decrease) in cash and cash equivalents		5.4	(11.2)
Cash and cash equivalents at the beginning of the period		86.3	97.5
Cash and cash equivalents at the end of the period	20	91.7	86.3
Adjusting items			
Adjusting items paid included in the cash flow	32	–	4.9
Total pre-tax Adjusting items	9	1.2	20.4

Notes to the consolidated financial statements

1 General information and accounting policies

Wickes Group Plc (the 'Company') is a limited company in the United Kingdom, incorporated under the Companies Act 2006. The registered office of the Company is Vision House, 19 Colonial Way, Watford, WD24 4JL.

The consolidated financial statements represent the results of the Company and its subsidiaries (together referred to as the 'Group').

The principal activity of the Group is the operation of retail DIY stores across the United Kingdom.

Basis of accounting

The annual financial statements of the Group for the 52 weeks ending 27 December 2025 have been prepared in accordance with UK-adopted international accounting standards. The comparative financial period was 52 weeks to 28 December 2024.

The Company has elected to prepare its Parent Company financial statements in accordance with Financial Reporting Standard 102 "The Financial Reporting Standard applicable in the UK and Republic of Ireland"; these are presented on pages 155 to 159.

Basis of preparation

The consolidated financial statements have been prepared on the historical cost basis, except that certain financial instruments including derivative instruments, and certain share-based payments are stated at their fair value.

Going concern

Based on the Group's liquidity position and cash flow projections, including a forward looking severe but plausible scenario, the Directors have a reasonable expectation that the Company and the Group have adequate resources to continue in operational existence for the duration of the going concern period, being the 12 month period following the date of approval of these financial statements, and accordingly they continue to adopt the going concern basis of accounting in preparing the consolidated financial statements for the period ended 27 December 2025.

The Directors have considered the Group's business activities, together with the factors likely to affect its future development, performance and position, the principal risks, alongside the current financial position of the Group, its cash flows, liquidity position and borrowing facilities and how they may impact going concern.

The Directors do not consider going concern to be a critical accounting judgement. In determining this the Directors have taken into account the ongoing profitability and positive operating cashflow in 2025, despite the impacts of the softer economic environment in the UK. Although the Group saw continuing cost pressures in the 2025 financial year, the Group continues to demonstrate the flexibility of Wickes' operational model, including a number of actions undertaken to both respond to more challenging market conditions and to continue to drive efficiencies within the business in 2026.

At 27 December 2025, cash and cash equivalents stood at £91.7m. In addition the Group had available an undrawn committed Revolving Credit Facility (RCF) of £80m, expiring in March 2029, and which is not forecast to be utilised for a period of at least 12 months.

Lease liabilities of £719.8m are included on the balance sheet under IFRS 16, with £84.3m due within one year: the Group has no other debt obligations.

In considering whether the Group's financial statements can be prepared on a going concern basis, the Directors have undertaken a detailed review which entails assessing the Group's current and projected financial performance and position, including current assets and liabilities, debt maturity profile, future commitments and forecast cash flows. In forming their outlook on the future financial performance, the Directors considered the risk of higher business volatility arising from the potential negative impact of the general economic environment.

The Directors' review also included a severe but plausible scenario to assess the impact of a sales reduction from 2026's budget, a margin reduction and an operational shock (e.g. a cyber attack or a disease outbreak) which requires the business to shut down fully for a short period of time, together with increases to energy costs and staff costs. Under this combined severe but plausible scenario the Group would encounter a negative cash position for one period.

However, if this scenario materialised, the Group could apply a controlled and limited set of mitigations to preserve a positive cash balance, and these do not assume utilisation of the RCF. As this does not require use of the facility at any point, any covenant breach in this combined scenario does not indicate a risk to going concern. Nevertheless, if required, there are further measures that could be taken to assist with the covenant compliance if this was considered necessary, including reducing bonuses and discretionary spend in the short term.

The Directors remain watchful of ongoing pressures on customers and suppliers given the current economic environment and are aware that the Group is exposed to a number of risks and uncertainties, which could affect the Group's ability to meet its forecasts. The Directors believe that the Group has the flexibility to react to changing market conditions and is adequately placed to manage its business risks successfully.

2 Accounting Policies

Functional and presentational currency

The financial information is presented in Pounds Sterling, the currency of the primary economic environment in which the Group operates. All amounts in the financial statements have been rounded to the nearest £0.1m except where otherwise noted.

Transactions denominated in foreign currencies are recorded at the rates ruling on the date of the transaction. At the balance sheet date, monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange ruling at that date. Foreign exchange differences arising on translation are recognised in the income statement.

Business segments

The operating segments are identified on the basis of internal reports about components of the Group that are regularly reviewed by the Chief Operating Decision Maker ("CODM"), which is considered to be the Executive Board of Directors, to assess performance and allocate capital. Management considers there to be one operating segment.

Notes to the consolidated financial statements continued

2 Accounting Policies continued

Alternative Performance Measures

The Group presents Alternative Performance Measures ("APMs") in addition to the statutory results of the Group. These are presented in accordance with the Guidelines on APMs issued by the European Securities and Markets Authority ("ESMA"). APMs used by the Group are set out in note 32 and the reconciling items between statutory and adjusted results are listed below and described in more detail in note 9.

Adjusting items are those items of income and expenditure that, by reference to the Group, are material in size or unusual in nature or incidence and that in the judgement of the Directors should be disclosed separately to ensure both that the reader has an understanding of the Group's underlying trading performance and that there is comparability of financial performance between periods.

Items of income or expense that are considered by the Directors for designation as adjusting items include, but are not limited to, significant restructurings, incremental costs relating to corporate transactions, significant write downs or impairments (or impairment reversals) of current and non-current assets, the net unrealised gains and losses on remeasurement of derivatives held at fair value, and the effect of changes in corporation tax rates on deferred tax balances.

2.1 Impact of new standards and interpretations

The following standards and interpretations, which have not yet been applied in these consolidated financial statements, have been issued by the IASB but not yet adopted by the UK Endorsement Board:

- Targeted amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures
- IFRS 19 – Subsidiaries without Public Accountability: Disclosures

The following standards have been adopted by the UK Endorsement Board but are not yet effective for the Group:

- Amendments to IFRS 9 – Financial Instruments and IFRS 7 – Financial Instruments: Disclosures for classification and measurement of financial instruments
- Amendments to IAS 21 – Lack of exchangeability
- IFRS 18 – Presentation and Disclosure in Financial Statements

Adoption of IFRS 18 – Presentation and Disclosure in Financial statements will result predominantly in significant changes to the presentation of the Consolidated Income Statement. The other standards noted are not expected to have a material impact on the financial statements.

2.2 Revenue

Revenue is recognised when the Group has satisfied its performance obligations to the customer and the customer has obtained control of the goods or services being transferred. Revenue is measured at the transaction price received or receivable less a deduction for actual and expected returns and represents amounts receivable for goods and services provided in the normal course of business including delivery charges, net of discounts and value added tax.

Customers are entitled to return goods for a period after purchase. A right of return is not a separate performance obligation and the Group is required to recognise revenue net of estimated returns. A refund liability and a corresponding asset in inventory representing the right to recover products from the customer are recognised.

Services comprise kitchen, bathroom and solar installations and these are typically completed over a short period of time. The Group does not sell installation services separately from the sale of kitchen, bathroom and solar products. Control of installed kitchens, bathrooms and solar panels passes to the customer when the Group has fulfilled its obligations under the installation contract and revenue from the installation of kitchens, bathrooms and solar panels is recognised at this point.

2.3 Other Income

Other income comprises income that is incidental to the Company's core trading activity and therefore does not meet the criteria for recognition as revenue. For the Company this includes, but is not limited to, sublease rental income and concession income.

2.4 Inventories

Inventories, which consist of goods for resale, are stated at the lower of cost and net realisable value. Cost comprises direct materials and, where applicable, direct labour costs and those overheads that have been incurred in bringing the inventories to their present location and condition. Net realisable value is the estimated selling price less the estimated costs of disposal.

Cost of inventories

In determining the cost of inventories the Directors have to make estimates to arrive at cost and net realisable value. Determining the net realisable value of the wide range of products held in many locations requires an assessment to be applied to determine the likely saleability of the product and the potential price that can be achieved. In arriving at any provisions for net realisable value the Directors take into account the age, condition and quality of the product stocked and the recent trend in sales. The Group does not consider that there is a significant risk of material adjustment arising within the next financial period as a result of this estimate.

2.5 Tax

The tax expense represents the sum of the tax payable and deferred tax.

Current tax

Tax payable is based on taxable profit for the period. Taxable profit differs from net profit as reported in the income statement because it excludes items of income and expense that are taxable or deductible in other periods and it further excludes items that are never taxable or deductible. The Group's liability for current tax is calculated using tax rates that have been enacted or substantially enacted by the balance sheet date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the consolidated financial statements and the corresponding tax bases used in the computation of taxable profit. This is accounted for using the balance sheet liability method.

Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction (other than in a business combination) that affects neither the taxable profit nor the accounting profit.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled or the asset realised based on tax laws and rates that have been enacted or substantially enacted at the balance sheet date. Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity.

Notes to the consolidated financial statements continued

2 Accounting Policies continued

In respect of the deferred tax on IFRS 16 leases, Wickes Building Supplies Limited applies tax deductions for the payment of rent, effectively the settlement of the IFRS 16 lease liability, including any onerous lease element that might be required under FRS 102, and a deferred tax liability in respect of the corresponding Right-of-Use asset. No initial recognition exception was utilised in respect of these. They are presented as the net deferred tax asset/liability in the balance sheet and in the leases column of the deferred tax note.

2.6 Goodwill and other intangible assets

Goodwill

Goodwill arising on acquisition represents the excess of the cost of acquisition over the share of the aggregate fair value of identifiable net assets (including intangible assets) of a business or a subsidiary at the date of acquisition. Goodwill is initially recognised as an asset and allocated to cash generating units or groups of cash generating units that are expected to benefit from the synergies of the combination and is then reviewed at least annually for impairment. Any impairment is recognised immediately in the income statement and is not reversed. Goodwill is accordingly stated in the balance sheet at cost less any provisions for impairment in value.

Other intangible assets

Other intangible assets consists primarily of software. The directly attributable costs incurred for the development of computer software controlled by and for use within the Group are capitalised and written off as an expense over their estimated useful lives, which range from 3 years to 10 years. Software operated under a 'Software as a Service' model is not considered to be controlled by the Group and is expensed directly to the Income Statement. No amortisation is charged on computer software under construction.

Costs relating to research, maintenance and training are expensed as they are incurred. Licence fees for using third-party software which is not controlled by the Group are expensed over the period the software is in use.

2.7 Property, plant and equipment

Property, plant and equipment is stated at cost less accumulated depreciation and any impairment in value, adjusted for impairment reversals. Assets are depreciated to their estimated residual value on a straight-line basis over their estimated useful lives as follows

- Leasehold improvements – term of the lease
- Plant and equipment – 3 to 10 years
- Freehold buildings – over remaining useful life

The residual value and useful life of assets are reviewed annually.

The gain or loss arising on the disposal or retirement of an asset is determined as the difference between the sale proceeds net of expenses and the carrying amount of the asset in the balance sheet and is recognised in the income statement.

2.8 Supplier income

Supplier income comprises fixed price discounts and volume rebates. Fixed price discounts and volume rebates received and receivable in respect of goods which have been sold are initially deducted from the cost of inventory and therefore reduce cost of sales in the income statement when the goods are sold. Where goods on which the fixed price discount or volume rebate has been earned remain in inventory at the period end, the cost of that inventory reflects those discounts and rebates.

Supplier income receivable is netted off against trade payables when there is a legally binding arrangement in place and it is management's intention to settle net, otherwise amounts are included in other receivables in the balance sheet.

2.9 Trade and other receivables

The Group's trade and other receivables at the balance sheet date comprises principally of amounts receivable from the sale of goods and related services, amounts due in respect of rebates and sundry prepayments.

Trade receivables, which are held at amortised cost, are subject to the expected credit loss model in IFRS 9 – Financial Instruments. The Group applies the IFRS 9 – Financial Instruments simplified approach to measuring expected credit losses. This uses a lifetime expected loss allowance for all trade receivables. To measure the expected credit losses, trade receivables have been grouped based on shared credit risk characteristics and the days past due.

Trade receivables are written off when there is no reasonable expectation of recovery. Indicators that there is no reasonable expectation of recovery include the failure of a debtor to engage in a repayment plan with the Group and the commencement of legal proceedings.

2.10 Provisions

A provision is recognised in the balance sheet when the Group has a present legal or constructive obligation because of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation and the amount can be measured reliably. Provisions are measured at the Directors' best estimate of the expenditure required to settle the obligation at the balance sheet date, and are discounted to present value if the effect of the time value of money is material.

Should a provision ultimately prove to be unnecessary then it is credited back to the income statement. Where the provision was originally established as an adjusting item, any release is shown as an adjusting credit.

The Group's stores operate from a significant number of leased properties. Where necessary, a provision has been made for the residual commitments for rates, other payments, and expected dilapidations charges after taking into account existing and anticipated subtenant arrangements.

It is Group policy to insure itself using policies with a high excess against claims arising in respect of damage to assets, or due to employers or public liability claims. The nature of insurance claims means they may take some time to be settled. The insurance claims provision represents management's best estimate, based upon external advice, of the value of outstanding claims against it where the final settlement date is uncertain.

The Group provides a guarantee on showroom kitchen cabinets, doors, drawer fronts and showroom bathroom products. The Group provides for future estimated costs of providing this guarantee on kitchens and bathrooms that have been previously sold. The provision includes future costs for installation workmanship as well as product cost.

Notes to the consolidated financial statements continued

2 Accounting Policies continued

2.11 Trade payables and liabilities

Trade and other payables principally comprise amounts outstanding for trade purchases and ongoing costs and are measured at amortised cost. The Directors consider that the carrying amount of trade payables approximates to their fair value.

2.12 Employee benefits – pensions

Payments to defined contribution retirement benefit schemes are recognised as an expense when employees have rendered services entitling them to the contributions.

2.13 Equity

Equity instruments represent the ordinary share capital of the Group and are recorded at the proceeds received, net of directly attributable incremental issue costs.

A description of the nature and purpose of each reserve is given below:

- EBT share reserves represent shares held by the Group in connection with the operations of the Group's share plans.
- The 'Other reserves' was created on the acquisition in March 2020 by Wickes Group Plc of Wickes Group Holdings Limited and by Wickes Group Holdings Limited of Wickes Building Supplies Limited and Wickes Finance Limited, via share for share exchanges, and represents the difference between the carrying value of the assets and liabilities of the acquired companies and the nominal value and premium of the shares issued.
- The capital redemption reserve represents the amounts transferred from share capital on the repurchase of issued shares.
- Retained earnings represents cumulative results for the Group.

2.14 Share repurchases

Shares purchased for cancellation are deducted from retained earnings. Share capital is reduced and credited to the capital redemption reserve once shares are cancelled.

2.15 Leases

IFRS 16 – Leases establishes principles for the recognition, measurement, presentation and disclosure of leases, with the objective of ensuring that lessees and lessors provide relevant information that faithfully represents those transactions.

Identifying a lease

At inception of a contract, the Group assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if it conveys the right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the Group has both the right to direct the identified asset's use and to obtain substantially all the economic benefits from that use.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices. However, for plant and equipment leases in which it is a lessee, the Group has elected not to separate non-lease components and account for the lease and non-lease components as a single lease component.

For each lease or lease component, the Group follows the lease accounting model as per IFRS 16 – Leases, unless the recognition exceptions can be used.

Recognition exceptions

The Group has elected to account for lease payments as an expense on a straight-line basis over the lease term or another systematic basis for the following two types of leases:

- (i) leases with a lease term of 12 months or less and containing no purchase options – this election is made by class of underlying asset; and
- (ii) leases where the underlying asset has a low value when new – this election can be made on a lease-by-lease basis, for leases where the Group has taken short-term lease recognition exemption and there are any changes to the lease term or the lease is modified, the Group accounts for the lease as a new lease.

Lessee accounting

Upon lease commencement the Group recognises a right-of-use asset and a lease liability.

Initial measurement

The right-of-use asset is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred, and includes an estimate of costs to restore the underlying asset or the site on which it is located, when an obligation is considered probable to arise, less any lease incentives received.

The lease liability is initially measured at the present value of the lease payments payable over the lease term, discounted at the rate implicit in the lease if that can be readily determined. If that rate cannot be readily determined, the Group uses the incremental borrowing rate.

Variable lease payments that depend on an index or a rate are included in the initial measurement of the lease liability and are initially measured using the index or rate as at the commencement date. Amounts expected to be payable by the lessee under residual value guarantees are also included. Variable lease payments that are not included in the measurement of the lease liability are recognised in the income statement in the period in which the event or condition that triggers payment occurs, unless the costs are included in the carrying amount of another asset under another accounting standard.

Subsequent measurement

After lease commencement, the Group measures right-of-use assets using a cost model. Under the cost model a right-of-use asset is measured at cost less accumulated depreciation and accumulated impairment. Any impairment reversal reduces accumulated impairment previously recognised to the extent that the revised net book value does not exceed the amount that would have been recognised had no impairment occurred previously. An impairment reversal excludes any impact resulting from the passage of time.

The lease liability is subsequently remeasured to reflect changes in:

- the lease term (using a revised discount rate)
- the assessment of a purchase option (using a revised discount rate)
- the amounts expected to be payable under residual value guarantees (using an unchanged discount rate)
- future lease payments resulting from a change in an index or a rate used to determine those payments (using an unchanged discount rate)

The remeasurements are matched by adjustments to the right-of-use asset. Additionally, direct costs incurred as part of obtaining an additional lease term are added to the right-of-use asset.

Notes to the consolidated financial statements continued

2 Accounting Policies continued

Depreciation

The right-of-use asset is subsequently depreciated using the straight-line method from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The estimated useful lives of right-of-use assets are determined on the same basis as those of property, plant and equipment. In addition, the right-of-use asset is reduced by impairment losses, if any, and adjusted impairment reversals or for certain remeasurements of the lease liability.

Lessor accounting

When the Group acts as a lessor, it determines at lease inception whether each lease is a finance or operating lease. To classify each lease, the Group makes an overall assessment of whether the lease transfers substantially all the risks and rewards incidental to ownership of an underlying asset. If this is the case, then the lease is a finance lease; if not, then it is an operating lease. As part of this assessment, the Group considers certain indicators such as whether the lease is for the major part of the economic life of the asset.

The Group recognises operating lease payments as income on a straight-line basis over the lease term as part of 'other income'. The Group recognises finance income over the lease term of a finance lease, based on a pattern reflecting a constant periodic rate of return on the net investment.

2.16 Borrowings

Interest bearing bank loans and overdrafts and other loans are recognised in the balance sheet initially at fair value and subsequently at amortised cost. Finance charges associated with arranging the undrawn revolving credit facility are recognised in the income statement over the life of the facility. All other borrowing costs are recognised in the income statement in accordance with the effective interest rate method.

2.17 Net debt

Net debt comprises cash and cash equivalents (being cash balances net of overdrafts) and the carrying value of lease liabilities. The carrying amount of these assets and liabilities approximates to their fair value.

2.18 Financial instruments classification

The Group classifies its financial instruments in the following measurement categories:

- those to be measured subsequently at fair value through profit or loss (FVTPL); and those to be measured at amortised cost.

The classification depends on the business model for managing the financial instruments and the contractual terms of the cash flows.

For assets measured at fair value, gains and losses will either be recorded in profit or loss or other comprehensive income (FVOCI). For investments in equity instruments that are not held for trading, this will depend on whether the Group has made an irrevocable election at the time of initial recognition to account for the equity investment at FVTPL or at FVOCI.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

Measurement

At initial recognition, the Group measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss (FVTPL), transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at FVTPL are expensed in profit or loss.

Impairment

The Group assesses on a forward looking basis the expected credit losses associated with debt instruments carried at amortised cost and FVOCI. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables, the Group applies the simplified approach permitted by IFRS 9 – Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

2.19 Impairment

Impairment of tangible and intangible assets

The carrying amounts of the Group's tangible and intangible assets with a definite useful life are reviewed at each balance sheet date to determine whether there is any indication of impairment to their value. If such an indication exists, the asset's recoverable amount is estimated and compared to its carrying value. Where the asset does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit (CGU) to which the asset belongs. The Group has determined that each store is a separate CGU. The recoverable amount of an asset is the greater of its fair value less disposal cost and its value-in-use (the present value of the future cash flows that the asset is expected to generate). In determining value in use the present value of future cash flows is discounted using a pre-tax discount rate that reflects current market assessments of the time value of money in relation to the period of the investment and the risks specific to the asset concerned. The carrying value of CGUs includes right-of-use assets.

Where the carrying value exceeds the recoverable amount a provision for the impairment loss is established with a charge being made to the income statement. When the reasons for a write down no longer exist the write down is reversed in the income statement up to the net book value that the relevant asset would have had if it had not been written down and if it had been depreciated. An impairment reversal excludes any impact resulting from the passage of time.

For intangible assets that have an indefinite useful life the recoverable amount is estimated at each annual balance sheet date.

Measuring recoverable amounts

The Group tests goodwill for impairment annually or more frequently if there are indications that an impairment may have occurred. The recoverable amount of the goodwill is determined from value in use calculations.

2.20 Share-based payments

The Group issues equity-settled share-based payments to directors and certain employees. Equity-settled share-based payments are measured at fair value (excluding the effect of non market-based vesting conditions) at the date of grant. The fair value determined at the grant date of the equity-settled share-based payments is expensed on a straight-line basis over the vesting period, having been adjusted to reflect an estimate of shares that will eventually vest and for the effect of non market-based vesting conditions.

Fair value is measured by use of the Black-Scholes pricing model which is considered by management to be the most appropriate method of valuation. The expected life used in the model has been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions, and behavioural considerations.

Notes to the consolidated financial statements continued

2 Accounting Policies continued

2.21 Post balance sheet events

These accounts reflect events only up to the date on which the relevant underlying consolidated financial statements were approved.

3 Critical accounting judgements and key sources of estimation uncertainty

The preparation of financial statements requires the Directors to make judgements, estimates and assumptions concerning the future that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. These judgements are based on historical experience and management's best knowledge at the time and the actual results may ultimately differ from those estimates. Estimates and underlying assumptions are reviewed on an ongoing basis and revisions are recognised in the period in which the estimates are revised and in any future periods affected. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying value of assets and liabilities are explained below.

Impairment or impairment reversal of store assets (significant estimate)

Determining whether store assets (right of use assets relating primarily to the lease of each individual store, and any associated property, plant and equipment) are impaired, or indicate an impairment reversal, requires an estimation of the value in use of the cash-generating units to which such fixed assets have been allocated. Additionally, judgement is required in determining the population of stores that have an indicator of impairment.

The value in use calculation requires estimation of future cash flows expected to arise from the cash-generating unit (CGU) discounted at a suitable discount rate in order to calculate the present value. The significant estimates relate to the discount rate used, the store revenue and gross margin over the five-year plan period, and the percentage of central costs allocated. Details of CGUs as well as further information about the assumptions made are disclosed in note 15.

4 Auditor's remuneration

During the period the Group incurred the following costs for services provided by the Company's auditors:

(£'000)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Fees payable to the Company's auditor for audit services:		
Audit of the Company's annual accounts	100	100
Audit of the Company's subsidiaries	740	780
Fees paid to the Company's auditor for other services:		
Review of the interim statement	85	80
	925	960

A description of how the Audit & Risk Committee ensures that auditor objectivity and independence is safeguarded when the auditor provides non-audit services is set out in the report on page 97.

5 Revenue

The Group has one operating segment in accordance with IFRS 8 – Operating Segments, which is the retail of home improvement products and services, both in stores and online.

The Chief Operating Decision Maker is the Executive Board of Directors. Internal management reports are reviewed by them on a regular basis. Performance of the segment is assessed based on a number of financial and non-financial KPIs as well as on profit before taxation.

The Group identifies two distinct revenue streams within its operating segment which are analysed below.

Both revenue streams operate entirely in the United Kingdom. The Group's revenue is driven by a large number of individual small value transactions and as a result, Group revenue is not reliant on a major customer or group of customers.

Revenue (£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Retail	1,208.9	1,135.2
Design & Installation Ranges	427.3	409.3
	1,636.2	1,544.5

Re-presentation of delivery income in comparative figures

The Directors have reviewed their presentation of revenue arising from delivery charges and have now disclosed delivery income within Revenue, which was previously recognised net within Cost of Sales. For the 52 weeks ended 28 December 2024, £5.7m has been re-presented from Cost of Sales to Revenue, of which £5.4m has been allocated to Retail and £0.3m to Design & Installation Ranges.

The revenue reconciliation and like-for-like sales disclosed below have also been re-presented. This has resulted in the 'decrease arising on a like-for-like basis' reducing from £31.3m (2.0%) to £31.0m (2.0%) for the 52 weeks ended 28 December 2024.

There are no impacts to any profit measures, balance sheet or cash flows for any of the periods reported as a result of the representation.

Re-presentation of revenue streams in comparative figures

In the 52 week period ended 28 December 2024, sales of Wickes Lifestyle Kitchens which included a design element were classified as Design & Installation revenue, whereas self-serve purchases of the Wickes Lifestyle Kitchen range were classified as Retail revenue. From the start of FY2025, the Group has changed the presentation of the two revenue streams currently within its operating segment from 'Retail' and 'Design & Installation', to 'Retail' and 'Design & Installation Ranges' respectively.

For the 52 weeks ended 28 December 2024, £82.5m of revenue has been re-allocated from Retail to Design & Installation Ranges. This aligns the presentation with how revenue streams are monitored internally, bringing all kitchen and bathroom sales into one reported revenue category, Design & Installation Ranges. Solar sales continue to be included in Design & Installation Ranges.

There is no impact on any of the profit measures, balance sheet or cash flow statement for any of the periods reported.

Notes to the consolidated financial statements continued

5 Revenue continued

Revenue reconciliation and like-for-like revenue (£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Revenue	1,636.2	1,544.5
Network change	(20.2)	(21.4)
Revenue generated by acquired business (Gas Fast Limited)	(5.4)	(10.0)
Revenue (like-for-like basis)	1,610.6	1,513.1
Prior period revenue	1,544.5	1,559.2
Prior period network change	(8.6)	(15.1)
Prior period revenue generated by acquired business (Gas Fast Limited)	(0.4)	–
Prior period revenue (like-for-like basis)	1,535.5	1,544.1
Increase/(decrease) arising on a like-for-like basis	75.1	(31.0)
Like-for-like revenue (%)	4.9%	(2.0)%

Calculating like-for-like revenue enables management to monitor the performance trend of the business period-on-period. It also provides management with a good indication of the health of the business compared to competitors.

Like-for-like revenue is a measure of sales performance for two successive periods. Stores contribute to like-for-like revenue once they have been trading for more than 12 months, or for acquisitions once the results have been fully consolidated for 12 months. Revenue included in like-for-like revenue is for the equivalent times in both periods being compared. When stores close, revenue is excluded from the prior period figures for the months equivalent to the post closure period in the current period. These movements are explained by the Network change amounts. The Network change number varies year on year as it represents a different number of stores.

6 Operating profit

Operating profit is stated after charging/(crediting):

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Realised net foreign exchange losses/(gains) recognised in cost of sales	1.2	(1.6)
Derivative fair value losses/(gains)	2.1	(1.5)
Depreciation of property, plant and equipment (note 13)	22.1	22.3
Depreciation of right-of-use assets (note 14)	76.6	76.7
Amortisation of internally-generated intangible assets (note 12)	6.0	6.6
Impairment of other intangible assets (note 12)	0.3	–
Impairment of right of use assets (note 14 and 15)	1.7	12.3
Reversal of impairment of right-of-use assets (note 14 and 15)	–	(1.3)
Impairment of property, plant and equipment (note 13 and 15)	0.2	5.8
Gains on termination of leases (note 14 and 23)	(0.2)	–
Losses on disposal of property, plant and equipment	0.5	0.3
Income from subleasing right-of-use assets (note 14)	(2.8)	(2.4)
Staff costs (note 8)	258.5	230.4
Concession income	(0.8)	(1.1)
Waste recycling initiatives	(0.9)	(0.6)

7 Net finance costs

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Finance income		
Interest receivable	7.2	7.3
Fair value adjustment to call option	3.0	–
	10.2	7.3
Finance costs		
Interest on lease liabilities (note 14)	(31.1)	(30.1)
Amortisation of loan arrangement fees	(0.2)	(0.3)
Commitment fee on revolving credit facility (RCF)	(0.6)	(0.7)
Revolving credit facility (RCF) amendment costs	–	(0.3)
Other interest	(0.2)	–
	(32.1)	(31.4)
Net finance costs	(21.9)	(24.1)

Notes to the consolidated financial statements continued

8 Staff costs

Average number of persons employed by the Group (including directors) during the period

(No.)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Administration	609	591
Stores and distribution	7,160	7,183
	7,769	7,774

Average number of full-time equivalent persons employed by the Group during the period

(No.)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
	6,099	6,114

Aggregate payroll costs of these persons were as follow:

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Wages and salaries	223.7	205.5
Social security costs	23.2	17.1
Other pension costs (defined contribution plans)	5.9	5.4
Share-based payments (equity-settled)	5.6	4.0
	258.4	232.0

There are no wages and salaries and social security costs for the 52 weeks ended 27 December 2025 in adjusting items (52 weeks ended 28 December 2024: £3.6m).

All qualifying employees are able to contribute to the Wickes Group Pension Plan, a defined contribution pension scheme. A defined contribution plan is a pension plan under which fixed contributions are paid into a pension fund and the Company has no legal or constructive obligation to pay further contributions. The pension costs represent contributions payable by the Group.

The amounts charged to the income statement in respect of pension costs and other post-retirement benefits are the contributions payable in the period. Differences between the contributions payable in the period and those actually paid are shown as either accruals or prepayments in the balance sheet.

9 Reconciliation of alternative profit measures

As described in note 2, adjusted profit measures are an alternative performance measure used by the Board to monitor the operating performance of the Group. Adjusting items are those items of income and expenditure that, by reference to the Group, are material in size or unusual in nature or incidence and that in the judgement of the Directors should be disclosed separately to ensure both that the reader has a proper understanding of the Group's financial performance and that there is comparability of financial performance between periods.

Items of income or expense that are considered by the Directors for designation as adjusting items include, but are not limited to, significant restructurings, incremental costs relating to corporate transactions, significant write downs or impairments (and reversals) of current and non-current assets, the effect of changes in corporation tax rates on deferred tax balances, and net unrealised gains and losses on remeasurement of derivatives held at fair value.

(£m)	52 weeks ended 27 December 2025			
	Gross profit	Operating profit	Profit before tax	Profit after tax
Statutory performance measures	603.8	70.6	48.7	37.8
Foreign exchange derivative fair value losses	2.1	2.1	2.1	2.1
Call option derivative fair value gains	–	–	(3.0)	(3.0)
Property, plant and equipment impairment charge	–	0.2	0.2	0.2
Right-of-use asset impairment charge	–	1.7	1.7	1.7
Solar Fast brand impairment charge	–	0.3	0.3	0.3
Restructuring costs	–	(0.1)	(0.1)	(0.1)
Tax on adjusting items	–	–	–	(1.0)
Tax adjustment in respect of prior periods	–	–	–	1.2
Total adjustments to statutory performance measures	2.1	4.2	1.2	1.4
Adjusted performance measures	605.9	74.8	49.9	39.2

(£m)	52 weeks ended 28 December 2024			
	Gross profit	Operating profit	Profit before tax	Profit after tax
Statutory performance measures	566.6	47.3	23.2	18.4
Foreign exchange derivative fair value gains	(1.5)	(1.5)	(1.5)	(1.5)
Property, plant and equipment impairment charge	–	5.8	5.8	5.8
Right-of-use asset impairment charge	–	12.3	12.3	12.3
Reversal of impairment of right-of-use asset recognised in prior periods	–	(1.3)	(1.3)	(1.3)
Restructuring costs	–	4.0	4.0	4.0
Gas Fast Limited acquisition costs	–	0.8	0.8	0.8
Revolving credit facility (RCF) amendment costs	–	–	0.3	0.3
Tax on adjusting items	–	–	–	(4.9)
Total adjustments to statutory performance measures	(1.5)	20.1	20.4	15.5
Adjusted performance measures	565.1	67.4	43.6	33.9

Notes to the consolidated financial statements continued

9 Reconciliation of alternative profit measures continued

Foreign exchange derivative fair value movements

The Group recognises the potential for high levels of foreign exchange rate volatility and looks to mitigate its economic impact on financial performance by hedging planned future foreign currency purchases using foreign currency derivatives. The Group does not take advantage of the hedge accounting rules provided for in IFRS 9 since that standard requires certain stringent criteria to be met to hedge account, which, in the circumstances of the Group, are considered by the Board not to bring any significant economic benefit. As a result, IFRS requires that fair value gains or losses on these derivatives be recognised in the income statement.

In order to reflect the economic outcome of the forward contracts (derivatives), the impact of fair value movement on the derivatives has been removed in the underlying results. During the 52 weeks ended 27 December 2025 this adjustment was a net loss of £2.1m in cost of goods sold (52 weeks ended 28 December 2024: gain of £1.5m).

Call option fair value movements

The Group owns an option to acquire the remaining 49% shareholding of Gas Fast Limited. This derivative is remeasured to its fair value at the end of each reporting period. The value of the option reflects the Group's estimate of what a market participant would be prepared to offer the Group for the right to purchase that call option. Changes to the fair value of this option may not be reflective of the Group's trading activity. During the period ended 27 December 2025, a derivative asset of £3.0m was recognised (52 weeks ended 28 December 2024: £nil) and reflected within finance income on the income statement

Right-of-use asset and property, plant and equipment impairment charges

In the period ended 27 December 2025, 4 stores were identified as impaired with a resulting impairment charge of £1.9m, recognised as £1.7m to right-of-use assets and £0.2m to property plant and equipment. Impairment charges are discussed in further detail in note 15 and, specifically, those factors influencing the impairment charge are detailed on page 143.

In the period ended 28 December 2024, 27 stores were identified as impaired with a resulting impairment charge of £18.1m, £12.3m to right-of-use assets and £5.8m to property, plant and equipment. Furthermore, 1 store was identified as having an impairment reversal of £1.3m all to right of use assets.

Solar Fast brand impairment

In the period ended 27 December 2025, the Group has fully impaired the intangible asset related to the 'Solar Fast' brand (£0.3m) following the decision to re-brand all marketing material related to PV panels to Wickes Solar.

Restructuring costs

In the 52 week period ended 27 December 2025, there was a £0.1m release of a provision that was recognised in relation to restructuring programmes originally recognised in the period ended 28 December 2024.

Tax adjustment in respect of prior periods

During the current period, the Group identified that a historical £1.2m deferred tax liability with respect to goodwill on the acquisition of Focus DIY stores acquired in 2007 and 2011 had not been recognised by the Group at the time the Group listed publicly in 2021. In recognising the deferred tax liability, a prior year deferred tax charge of £1.2m has been recorded in the current period. There is no impact on tax paid or to be paid, whilst the tax charge is not reflective of trading activity in the period, is not a revision to a previously estimated tax position and is considered to be one-off in nature.

10 Taxation

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Current tax		
UK corporation tax expense	12.2	12.3
UK corporation tax adjustments in respect of prior periods	(4.7)	(2.2)
Total current tax charge	7.5	10.1
Deferred tax		
Deferred tax movement in period	(3.5)	(5.7)
Effect of change in tax rate	–	(0.1)
Adjustments in respect of prior periods	6.9	0.5
Total deferred tax charge	3.4	(5.3)
Total tax charge	10.9	4.8

The differences between the total tax charge and the amount calculated by applying the standard rate of UK corporation tax of 25% (52 weeks ended 28 December 2024: 25.0%) to the profit before tax for the Group are as follows:

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Profit before taxation	48.7	23.2
Tax at the standard corporation tax rate	12.2	5.9
Effects of:		
Depreciation of non-qualifying property	0.4	0.4
Tax effect of non-taxable income / non-deductible expenses	(1.0)	–
Adjustments to prior period	2.1	(1.7)
Effect of share based payments	–	0.2
Impact of uncertain tax positions	(2.8)	–
Total tax charge	10.9	4.8

The effective tax rate for the period is 22.4% (52 weeks ended 28 December 2024: 20.3%). The effective tax rate was lower than the standard rate primarily due to the impact of non-taxable income and revisions to historical capital allowances, the latter being presented in uncertain tax positions, partially offset by adjustments related to the prior period. This adjustment and its tax effect do not provide a guide to the Group's future tax charge.

The Group is within the scope of the OECD Pillar Two model rules and the UK's domestic implementation of the Global Minimum Tax, which applies for accounting periods beginning on or after 31 December 2023. The Group operates exclusively in the United Kingdom and is therefore subject only to UK taxation. Based on the assessment performed for the period, the Group's effective tax rate for Pillar Two purposes exceeds the minimum rate of 15%. Accordingly, no UK top-up tax has arisen for the period. As at the reporting date, the Group has not recognised any current or deferred tax assets or liabilities in respect of Pillar Two taxes.

Notes to the consolidated financial statements continued

11 Earnings per share

Basic earnings per share is calculated by dividing the profit attributable to equity holders of the Company by the weighted average number of ordinary shares outstanding during the 52 week period ended 27 December 2025.

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Profit attributable to the owners of the Parent (No.)	38.5	18.1
Weighted average number of ordinary shares	238,367,214	245,621,601
Adjustment for weighted average number of ordinary shares held in EBT	(9,100,822)	(4,861,137)
Weighted average number of ordinary shares in issue	229,266,392	240,760,464
Basic earnings per share (in pence per share)	16.8p	7.7p

For diluted earnings per share, the weighted average number of ordinary shares in issue is adjusted to include all dilutive potential ordinary shares arising from share options.

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Profit attributable to the owners of the Parent (No.)	38.5	18.1
Weighted average number of ordinary shares in issue	229,266,392	240,760,464
Diluted effect of share options on potential ordinary shares	5,502,259	3,714,321
Diluted weighted average number of ordinary shares in issue	234,768,651	244,474,785
Diluted earnings per share (in pence per share)	16.4p	7.5p

The Directors believe that EPS excluding Adjusting items (Adjusted EPS) reflects the underlying performance of the business and assists in providing the reader with a consistent view of the trading performance of the Group.

Reconciliation of profit after taxation to profit after taxation excluding Adjusting items (Adjusted profit):

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Profit attributable to the owners of the parent from continuing operations	38.5	18.1
Adjusting items before tax	1.2	20.4
Tax on adjusting items	(1.0)	(4.9)
Tax prior year adjustment	1.2	–
Adjusting items after tax (note 9)	1.4	15.5
Adjusted profit attributable to the owners of the parent	39.9	33.6
Weighted average number of ordinary shares in issue	229,266,392	240,760,464
Weighted average number of dilutive ordinary shares in issue	234,768,651	244,474,785
Adjusted basic earnings per share (in pence per share)	17.4p	14.1p
Adjusted diluted earnings per share (in pence per share)	17.0p	13.9p

Notes to the consolidated financial statements continued

12 Goodwill and other intangible assets

(£m)	Goodwill	Other intangible assets	Total
Cost or valuation			
At 30 December 2023	8.4	41.3	49.7
Additions	4.2	2.3	6.5
At 28 December 2024	12.6	43.6	56.2
Additions	–	2.4	2.4
At 27 December 2025	12.6	46.0	58.6
Amortisation			
At 30 December 2023	–	27.0	27.0
Charged in the period	–	6.6	6.6
At 28 December 2024	–	33.6	33.6
Charged in the period	–	6.0	6.0
Impairment	–	0.3	0.3
At 27 December 2025	–	39.9	39.9
Net book value			
At 27 December 2025	12.6	6.1	18.7
At 28 December 2024	12.6	10.0	22.6

The goodwill held by the Group arose on the acquisition of Focus DIY stores in 2007 & 2011, and the acquisition of a 51% holding in Gas Fast Limited. The carrying value related to the acquisition of Focus DIY stores is £8.4m (28 December 2024: £8.4m) and is tested against stores. For the Gas Fast Limited acquisition £4.2m of goodwill was recognised (28 December 2024: £4.2m) and tested against the performance of the Wickes Solar business. For the purpose of impairment tests of goodwill, the goodwill are shown in note 15. Details of the £0.3m impairment to other intangible assets is shown in note 9.

13 Property, plant and equipment

(£m)	Land and buildings	Leasehold improvements	Plant and equipment	Total
Cost				
At 30 December 2023	6.1	147.6	195.6	349.3
Additions	–	13.4	11.2	24.6
Disposals	(6.1)	(3.0)	(7.9)	(17.0)
Impairments	–	(5.8)	–	(5.8)
At 28 December 2024	–	152.2	198.9	351.1
Additions	–	17.0	9.3	26.3
Disposals	–	(3.1)	(3.9)	(7.0)
Reclassification of historical impairments	–	6.4	–	6.4
At 27 December 2025	–	172.5	204.3	376.8
Accumulated depreciation				
At 30 December 2023	0.2	69.2	156.7	226.1
Charged in the period	0.1	12.6	9.6	22.3
Disposals	(0.3)	(2.6)	(7.7)	(10.6)
At 28 December 2024	–	79.2	158.6	237.8
Charged in the period	–	12.1	10.0	22.1
Disposals	–	(2.9)	(3.4)	(6.3)
Reclassification of historical impairments	–	6.4	–	6.4
Impairment	–	0.2	–	0.2
At 27 December 2025	–	95.0	165.2	260.2
Net book value				
At 27 December 2025	–	77.5	39.1	116.6
At 28 December 2024	–	73.0	40.3	113.3

Historical impairments of property, plant and equipment have been reclassified from cost to accumulated depreciation. The comparatives have not been restated as, in the Directors view, the impact was not material.

The impairment assessment during the period resulted in a £0.2m impairment charge being recognised (52 weeks ended 28 December 2024: £5.8m charge). Details of impairment testing are provided in note 15.

Notes to the consolidated financial statements continued

14 Right-of-use assets

The Group leases many assets including land and buildings and vehicles. The weighted average remaining lease term of all leases is 9.5 years (28 December 2024: 9.6 years). Information about leases for which the Group is a lessee is presented below.

At 27 December 2025, the Group had no material leases committed to but not yet commenced (28 December 2024: nil). The Group does not enter into turnover rent agreements or have material variable payments. It holds 15 property leases which contain termination options and, given there is not an economic incentive to exercise the option given the performance of the related stores, the extended period is included within our IFRS 16 calculations. The Group does not have any significant extension options in its lease agreements.

The modifications relate predominantly to increases in lease terms within the store portfolio.

Net carrying value (£m)	Land and buildings	Plant and equipment	Total
At 30 December 2023	520.7	16.4	537.1
Additions	38.1	22.8	60.9
Modifications	53.0	–	53.0
Terminations	–	(0.8)	(0.8)
Depreciation	(67.6)	(9.1)	(76.7)
Impairments	(12.3)	–	(12.3)
Reversal of previous impairments	1.3	–	1.3
At 28 December 2024	533.2	29.3	562.5
Additions	12.3	5.3	17.6
Modifications	76.7	1.6	78.3
Terminations	(0.2)	–	(0.2)
Depreciation	(68.1)	(8.5)	(76.6)
Impairments	(1.7)	–	(1.7)
At 27 December 2025	552.2	27.7	579.9

Lease liabilities (£m)	As at 27 December 2025	As at 28 December 2024
Maturity analysis – contractual undiscounted cash flow		
Less than one year	115.2	112.3
One to two years	110.2	111.1
Two to five years	278.2	285.4
Five to ten years	255.6	253.7
More than ten years	133.0	105.7
Total undiscounted lease liabilities	892.2	868.2
Lease liabilities included in the balance sheet		
Current	84.3	80.4
Non-current	635.5	624.9
	719.8	705.3

Amounts recognised in the income statement (£m)	52 weeks ended 28 December 2025	52 weeks ended 28 December 2024
Interest expense on lease liabilities	31.1	30.1
Expenses related to short-term leases	–	0.3
Expenses related to low-value assets	1.1	0.8
Depreciation	76.6	76.7
Net impairment charge	1.7	15.7

The weighted average incremental borrowing rate applied to property leases is 4.3% (28 December 2024: 4.3%), and for fleet leases is 7.4% (28 December 2024: 6.9%). Incremental borrowing rates for property leases are calculated from Group debt costs modified for retail property yields across the UK. Incremental borrowing rates for fleet leases are calculated from hire-purchase rates.

Sublet income

The Group leases space in some of its stores to third parties. Property rental income earned during the period in respect of these properties is disclosed in note 6.

At the balance sheet date, the Group had contracts with lessees for the following undiscounted future minimum lease payments:

(£m)	As at 27 December 2025	As at 28 December 2024
Within one year	2.1	3.4
One to five years	5.6	10.6
After five years	0.5	14.2
Total	8.2	28.2

Notes to the consolidated financial statements continued

15 Impairment testing

Measuring recoverable amounts

For stores impairment testing purposes, the Group has determined that each store is a separate CGU. 'Click and collect' sales and an allocation by store of delivered online sales are included in store cash flows to reflect the contributions stores make to fulfilling such orders.

CGUs are reviewed for indicators of impairment at each reporting date. Where estate wide indicators are identified (eg weakening macroeconomic environment), all stores are treated as having an indicator of impairment.

In the absence of such estate wide indicators, stores are reviewed for specific impairment indicators. This includes an assessment as to whether any stores are exposed to events that could have a permanent adverse effect on their ability to trade, which includes, but is not limited to, catastrophic physical events including any related to climate change, substantial changes in the use of asset or entry of a major competitor in the same locality. In addition, a review of each store's performance against its budget and year on year changes in the Board-approved five-year plan are considered as part of the indicator review.

The Group's goodwill is tested for impairment at each reporting date. Goodwill relates to the acquisition of two tranches of stores formerly operating under the Focus brand in 2007 and 2011, and also the acquisition of a 51% holding in Gas Fast Limited in 2024, now trading as Wickes Solar. For goodwill related to the acquired stores, cash flows generated by the whole store portfolio are used to support the goodwill balance. The goodwill related to the acquisition of Gas Fast Limited is tested against cash flows forecast to be generated from the Wickes Solar operations. Both sets of cash flows are derived from the Board-approved-five-year plan.

In accordance with IFRS, the recoverable amount of an asset is the greater of its value in use and its fair value less costs to sell. Recognising that a value in use approach will reflect the valuation premium arising from both the Group's store network and fulfilment model, as well as the significant investment made centrally to support its key growth drivers, which should be excluded when calculating fair value, value in use has been used when calculating recoverable amount in the current year.

The carrying value of CGUs for store impairment testing represents each store's specific assets, the IFRS 16 right-of-use asset, plus an allocation of corporate assets (and related cash flows) where these assets can be allocated on a reasonable basis. In the 52 weeks ended 27 December 2025, the method of allocating corporate assets have been enhanced so that the amount allocated to each CGU takes the lease length of each CGU into consideration. The total value of these assets attributable to stores is £670.1m (28 December 2024: £678.3m).

Key assumptions

The estimation of future cash flows is derived from the Board approved five-year plan, which is developed from a variety of sources including store performance, competitor activity, and consumer and market outlook. The key assumptions underpinning the value in use model include revenue growth and gross margin in the Board approved five-year plan, and an allocation of a percentage of central costs.

The table below identified the key assumptions related to store impairment testing and goodwill related to the acquisition of two tranches of stores.

	2025	2024
Pre-tax discount rate	13.8%	13.4%
Revenue growth rate	3.5%–3.7%	4%–7%
Gross margin	41%–43%	40%–46%
Central cost allocation	62.1%	61.2%

Management determined the values assigned to these financial assumptions as follows:

- Revenue growth rates and gross margin in the five-year plan period are after removing the impact of new stores, refits, and significant cost saving programmes that are yet to be enacted at the period end, but include the impact of all known ESG commitments and risks. These rates change each year based on both external and internal factors.
- The pre-tax discount rate is derived from the Group's weighted average cost of capital, which has been calculated using the capital asset pricing model, the inputs of which include a UK risk-free rate, equity risk premium, Group size premium and a risk adjustment (beta).
- Central costs are reviewed to identify amounts which are necessarily incurred to generate the CGU cash flows. Costs are allocated by category using appropriate volumetrics. A proportion of stewardship costs are allocated to CGUs, excluding those costs which are incurred solely due to the listed nature of the Group.

For goodwill related to the 51% acquisition of Wickes Solar, the key assumptions relate to a pre-tax discount rate at 24.2% (28 December 2024: 23.15%), which is a derivation of the Group's weighted average cost of capital, as noted above, with a risk premium tailored to the size of the Wickes Solar business, revenue growth rate of 45% (28 December 2024: 23% to 51%) and gross margin of 37% to 40% (28 December 2024: 41% to 45%).

Whilst the directors consider their assumptions to be realistic, including those for market changes, the estimated future cash flows derived from the Board approved five-year plan require the achievement of company specific growth initiatives. Should actual results be different from expectations, for instance due to worsening of the UK economy, then it is possible that the value of non-current assets included in the balance sheet could be impaired. Cash flows beyond five-year plan period (2031 and beyond) have been determined using an appropriate long-term nominal growth rate, which is not considered to be a key assumption.

Impairment of goodwill

At 27 December 2025 the aggregated value in use of all store CGUs was in excess of the goodwill carrying amount relating to the Focus acquisition. For goodwill related to Wickes Solar, the impairment review was carried out using the assumptions and methodology disclosed in this note. No impairment has been recognised with respect to goodwill.

Notes to the consolidated financial statements continued

15 Impairment testing continued

Impairment of store related right-of-use assets and property, plant and equipment

The impairment assessment performed on indicated stores has identified 4 stores that are impaired resulting in £1.9m (28 December 2024: £18.1m) of impairment charge, split as £1.7m (28 December 2024: £12.3m) relating to right-of-use assets and £0.2m (28 December 2024: £5.8m) relating to property, plant and equipment. The charge was due to performance not being in line with expectations for these stores. No impairment reversals have been recognised (28 December 2024: £1.3m to right-of-use assets). The impairment charge is recognised within selling costs.

Given the size and nature of the total store impairment charge, this is included within adjusting items as disclosed in note 9.

The carrying amount of non-current assets attributable to the stores that have been impaired, after impairment, is £14.0m (28 December 2024: £52.1m).

Impairment of sensitivities

It is possible that a materially different impairment would have been identified if the key assumptions were changed in the value-in-use calculations for store impairment testing. The impact on the impairment recognised for store impairment testing from reasonably possible changes in assumption, all other assumptions remaining the same, are shown in the table below.

Assumption

(£m)	Decrease/(increase) in impairment
Store revenue increases/(decreases) by 2%	£1.1m - £(3.2)m
Gross margin increases/(decreases) by 1%	£1.4m - £(3.8)m
Percentage of central costs allocated decreases/(increases) by 10%	£0.7m - £(2.4)m
Discount rate decreases/(increases) by 100 basis points	£0.4m - £(1.8)m

For goodwill relating to Wickes Solar and also the acquisition of Focus stores, no reasonably possible changes to assumptions would result in a change to the impairment outcome.

16 Deferred tax

The following are the major deferred tax assets and (liabilities) recognised by the Group and movements thereon during the current and prior reporting periods.

	Tax losses	Provisions	Capital Allowance	Share-based payments	Leases	Total
At 30 December 2023	–	1.5	(10.2)	2.5	29.2	23.0
(Charge)/credit to the Income statement	(1.8)	0.2	0.8	0.1	6.4	5.7
Credit to equity	–	–	–	1.5	–	1.5
Prior period adjustment	1.7	(0.7)	1.7	(1.7)	(1.5)	(0.5)
Change in tax rates	0.1	–	0.1	(0.1)	–	0.1
At 28 December 2024	–	1.0	(7.6)	2.3	34.1	29.8
Credit/(charge) to the Income statement	0.3	0.3	3.4	0.5	(1.0)	3.5
Charge to equity	–	–	–	(0.3)	–	(0.3)
Prior period adjustment	–	–	(3.6)	0.2	(3.5)	(6.9)
At 27 December 2025	0.3	1.3	(7.8)	2.7	29.6	26.1
Disclosed within non-current assets	0.3	1.3	(7.8)	2.7	29.6	26.1

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realised or the liability settled, based on tax rates that have been enacted, or substantively enacted, at the balance sheet date. The Group has separately calculated the tax rates applicable in respect of Adjusting items for the period as well as the tax rate change as a result of the increase in the rate of UK corporation tax effective from 1 April 2023 from 19% to 25%. The legislation enacting this rate increase was substantively enacted on 24 May 2021.

As at 27 December 2025, the £29.6m deferred tax asset relating to leases comprises a £173.6m (28 December 2024: £172.3m) deferred tax asset for lease liabilities and a £144.0m (28 December 2024: £138.2m) deferred tax liability for right of use assets. For the 52 weeks ended 27 December 2025, a £5.9m charge to the income statement was recognised with respect to right-of-use assets (28 December 2024: £3.9m), partially offset by a £4.9m credit with respect to lease liabilities (28 December 2024: £10.3m).

At 27 December 2025, the Group had unused capital losses of £37.6m (28 December 2024: £37.6m) available for offset against future capital profits. No deferred tax asset has been recognised because it is unlikely that future taxable capital gains will be available against which the Group can utilise the losses.

Notes to the consolidated financial statements continued

17 Investments

As at 27 December 2025, these consolidated financial statements of the Group comprise the Company, Wickes Group Plc, and the following subsidiaries which are all incorporated in the United Kingdom.

Incorporated in England and Wales and registered at Vision House, 19 Colonial Way, Watford, WD24 4JL	Principal activity	% interest held	Class of share
Wickes Group Holdings Limited	Holding company	100%	Ordinary
Wickes Building Supplies Limited*	Home improvement retailer	100%	Ordinary
Gas Fast Limited*	Solar installations	51%	Ordinary
Wickes Finance Limited*	Dormant	100%	Ordinary
Wickes Holdings Limited*	Dormant	100%	Ordinary

* indirect shareholding

18 Inventories

(£m)	As at 27 December 2025	As at 28 December 2024
Inventories	199.4	192.9

Inventories consist of goods for resale. Inventories are stated after provisions for impairment of £3.1m (2024: £3.7m) and includes a deduction to account for rebates earned on purchases and held in inventory at year end of £10.3m (2024: £8.4m).

Cost of sales for the 52 weeks ended 27 December 2025 includes inventory recognised as an expense amounting to £891.3m (52 weeks ended 28 December 2024: £844.4m).

	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Movement in stock provisions		
Opening provision	3.7	3.7
Provision utilisation	(11.8)	(11.9)
Provision increased	11.2	11.9
Closing provision	3.1	3.7

19 Trade and other receivables

(£m)	As at 27 December 2025	As at 28 December 2024
Trade receivables	31.7	31.1
Allowance for expected credit losses	(1.0)	(0.9)
	30.7	30.2
Other receivables	17.7	25.1
Prepayments and accrued income	15.3	15.3
Total current trade and other receivables	63.7	70.6

Trade receivables primarily represent amounts receivable following the delivery of goods purchased through finance agreements or completion of a Design & Installation project installation and electronic payment transactions with customers that were not received into the bank at the year end. Cash received from third parties providing finance to the Group's customers is recognised in the Cash Flow Statement as an operating cash flow.

The ageing of trade receivables is shown below. A provision for expected credit losses has been recognised at the reporting date through consideration of the ageing profile and the risk of non-recovery. The carrying amount of trade receivables, net of expected credit losses, is considered to be an approximation to its fair value.

Trade receivables on financed sales are ordinarily settled by financing providers; the Group does not retain consumer credit risk in respect of these sales. In a small number of cases, despite the Group having fulfilled its obligations under the installation contract, there may be a technical delay in receiving final settlement from the finance partner. The Group assesses whether these delays may result in amounts ultimately not being received and establishes a credit loss accordingly. Credit risk on credit card transactions is retained by the card issuer.

The loss allowance for trade receivables was determined as follows:

Saturday 27 December 2025	Current	1-30 days	31-60 days	61-120 days	More than 120 days	Total
Expected loss rate	3.2%	–	–	–	–	3.2%
Carrying amount of trade receivables (£m)	31.6	0.1	–	–	–	31.7
Loss allowance (£m)	(1.0)	–	–	–	–	(1.0)

Saturday 28 December 2024	Current	1-30 days	31-60 days	61-120 days	More than 120 days	Total
Expected loss rate	2.9%	–	–	–	–	2.9%
Carrying amount of trade receivables (£m)	31.1	–	–	–	–	31.1
Loss allowance (£m)	(0.9)	–	–	–	–	(0.9)

Notes to the consolidated financial statements continued

19 Trade and other receivables continued

The Group assesses expected credit losses associated with the trade receivable on a forward looking basis by considering actual credit loss experience and whether there has been a significant increase in credit risk.

The movement in the allowance for impairment in respect of trade receivables during the period was as follows:

(£m)	As at 27 December 2025	As at 28 December 2024
At the beginning of the period	0.9	1.0
Provided in the period	0.5	0.4
Released during the period	(0.4)	(0.5)
At the end of the period	1.0	0.9

Trade receivables are written off when there is no longer a reasonable expectation of recovery. This is primarily where settlement is not received from the finance partners and an alternative payment plan cannot be agreed with the customer directly, or where a payment plan exists and the customer has failed to make contractual payments for a period greater than one year past due.

When assessing credit losses, trade receivables are grouped according to shared characteristics (payor/payor type) and the days past due. Given the primary settlors of trade receivables are consumer credit providers that have stable credit ratings, the Group has concluded that historical debt performance of the portfolio during the last three reporting periods provides a reasonable approximation of the future expected loss rates for each payor age category.

Other receivables primarily represent amounts due from suppliers to the Group for rebates of £15.7m (28 December 2024: £23.7m). These amounts are recorded as other receivables unless a legally binding arrangement exists and management intends to settle on a net basis, in which case they are offset against trade payables.

20 Cash and cash equivalents

(£m)	As at 27 December 2025	As at 28 December 2024
Cash at Bank	4.0	4.4
Short-term deposits	87.7	81.9
	91.7	86.3

Cash and cash equivalents comprise cash balances, short-term deposits and other short term highly liquid investments (including money market funds) with maturities not exceeding three months from the date of acquisition placed with investment grade counterparties which are subject to an insignificant risk of change in value.

21 Capital and reserves

The Group and Company	10 pence ordinary shares	
	Shares	£m
Authorised, issued and fully paid		
At 30 December 2023	252,125,375	25.2
Shares cancelled	(10,059,076)	(1.0)
At 30 December 2024	242,066,299	24.2
Shares cancelled	(9,320,789)	(0.9)
At 27 December 2025	232,745,510	23.3

The Group and Company have 232,745,510 allotted and fully paid ordinary shares of 10 pence each. There is a single class of ordinary shares and all shares rank equally with regard to the Company's residual asset. The holders of ordinary shares are entitled to receive dividends as declared and are entitled to one vote per share at meetings of the Company.

No shares were issued during the current financial year in relation to share options.

During the 52 weeks ended 27 December 2025, 9.3 million (52 weeks ended 28 December 2024: 10.1 million) shares were purchased from the market and also cancelled, as part of the share buyback programme. The total consideration of £20.1m (52 weeks ended 28 December 2024: £15.1m) was charged to retained earnings including £0.1m for stamp duty and commission (52 weeks ended 28 December 2024: £0.1m). The aggregate nominal value of shares cancelled and transferred to the capital redemption reserve was £0.9m (52 weeks ended 28 December 2024: £1.0m).

EBT share reserves

The Wickes Employee Benefit Trust and Equiniti Share Plan Trustees Limited (together "the Trusts") have been put in place to further the interests of the Company by benefiting employees of the Group. The Trusts are treated as an extension of the Group and the Company.

Where the Trusts purchase the Company's equity share capital the consideration paid, including any directly attributable incremental costs, is deducted from equity attributable to the Company's equity holders until the shares are cancelled or reissued. As at 27 December 2025, 7,703,835 shares (28 December 2024: 4,778,750 shares) were held by the Trusts in relation to the Company's share plans. The Trusts' share reserves balance as at 27 December 2025 was £13.7m (28 December 2024: £0.5m). During the 52 weeks ended 27 December 2025, share purchases of £18.1m were made (52 weeks ended 28 December 2024: £nil), partially offset by cash received from employees for exercises of SAYE schemes of £5.6m (52 weeks ended 28 December 2024: £nil)

(number of shares)	As at 27 December 2025	As at 28 December 2024
At the beginning of the period	4,778,750	5,918,098
Own shares purchased for share schemes	9,708,712	–
Shares released to participants	(6,783,627)	(1,139,348)
At the end of the period	7,703,835	4,778,750

Notes to the consolidated financial statements continued

21 Capital and reserves continued

Other reserves

The Other reserves balance as at 27 December 2025 of £785.7m (28 December 2024: £785.7m) was created on the acquisition in March 2020 by Wickes Group Plc of Wickes Group Holdings Limited and by Wickes Group Holdings Limited of Wickes Building Supplies Limited and Wickes Finance Limited, via share for share exchanges, and represents the difference between the carrying value of the assets and liabilities of the acquired companies and the nominal value and premium of the shares issued.

22 Borrowings

Bank borrowings

In March 2024, the Group completed an "Amend and Extend" of its revolving credit facility (RCF), extending the maturity to March 2028 with an option for a further year. In the period ended 27 December 2025, a further one year extension was obtained, extending the expiry date to March 2029.

The group does not have an overdraft facility as at 27 December 2025 (28 December 2024: no facility).

At the period end, the Group had the following borrowing facility available:

(£m)	As at 27 December 2025	As at 28 December 2024
Undrawn facilities:		
Committed revolving credit facility (expires March 2029)	80.0	80.0
	80.0	80.0

Lease liabilities

Obligations under finance leases

The Group has entered into lease agreements in respect of retail stores, warehouses, vehicles and office equipment. The leases are secured on floating charges over both the present and future assets of material subsidiaries in the Group. Leases, with a present value liability of £719.8m (28 December 2024: £705.3m), expire in various years to 2046 and carry an average incremental borrowing rate of 4.4% (28 December 2024: 4.4%). Rent in respect of retail stores leases are reviewed by the landlord periodically, subject to assorted floors and caps. Except for these reviews, cash flows and charges are expected to remain in line with the current period.

The discount rates used are calculated at inception of the lease on a lease by lease basis, and are based on estimates of incremental borrowing rates.

Changes in lease liabilities arising from financing activities are detailed in note 23.

In the period, the Group recognised charges of £1.1m (28 December 2024: £1.1m) of lease expenses relating to short term and low value leases for which the exemption under IFRS 16 has been taken.

See note 14 for more detail on the depreciation of the Right-of-use (ROU) assets and note 7 for more detail on the interest expense relating to leases.

23 Movement in lease liability net debt

(£m)	Cash and cash equivalents	Lease liability	Total
At 30 December 2023	97.5	(675.8)	(578.3)
Decrease in cash and cash equivalents	(11.2)	–	(11.2)
Repayment of lease liabilities	–	114.4	114.4
Discount unwind on lease liability	–	(30.1)	(30.1)
Lease additions	–	(60.7)	(60.7)
Lease modifications	–	(53.0)	(53.0)
Lease incentives received	–	(0.9)	(0.9)
Lease terminations	–	0.8	0.8
At 28 December 2024	86.3	(705.3)	(619.0)
Increase in cash and cash equivalents	5.4	–	5.4
Repayment of lease liabilities	–	114.0	114.0
Discount unwind on lease liability	–	(31.1)	(31.1)
Lease additions	–	(17.6)	(17.6)
Lease modifications	–	(78.3)	(78.3)
Lease incentives received	–	(1.9)	(1.9)
Lease terminations	–	0.4	0.4
At 27 December 2025	91.7	(719.8)	(628.1)

Balances (£m)	As at 27 December 2025	As at 28 December 2024
Cash and cash equivalents	91.7	86.3
Current lease liabilities	(84.3)	(80.4)
Non-current lease liabilities	(635.5)	(624.9)
Lease liability net debt	(628.1)	(619.0)

Of the movements in the lease liability balance above, only the repayment of lease liabilities and lease incentives received are cash-impacting.

Notes to the consolidated financial statements continued

24 Provisions

(£m)	Property	Warranty	Insurance	Total
At 30 December 2023	3.8	3.3	5.5	12.6
Charge to income statement	0.2	3.5	1.2	4.9
Utilisation	(2.1)	(2.5)	(1.8)	(6.4)
At 28 December 2024	1.9	4.3	4.9	11.1
Charge to income statement	0.5	3.0	1.0	4.5
Utilisation	–	(2.6)	(1.8)	(4.4)
At 27 December 2025	2.4	4.7	4.1	11.2

(£m)	As at 27 December 2025	As at 28 December 2024
Current	9.4	9.7
Non-current	1.8	1.4
	11.2	11.1

Property provisions primarily arise where there is an expectation that a store will close and where there is an obligation to fulfil rate, insurance and dilapidation payments under the lease contract, or if there is other evidence that enables a dilapidation provision to be reliably estimated. The provision will be revised in future periods should the lease be terminated early or a subtenant found.

The Group provides a guarantee on showroom kitchen cabinets, doors, drawer fronts and showroom bathroom products. The Group provides for future estimated costs of providing this guarantee on kitchens and bathrooms that have been previously sold. The provision includes future costs for installation workmanship as well as product cost.

The insurance claims provision represents management's best estimate of the value of outstanding claims against the Group, using an expected value approach in line with IAS 37. There are no individually material claims and the potential settlement dates and amounts vary widely based on the portfolio of insurance claims provided for. The Group has no material self insured claims.

All provisions as at 27 December 2025 other than £1.8m of property provisions (28 December 2024: £1.4m of property provisions) are considered to be current and expected to be utilised within the next twelve months.

25 Trade and other payables

(£m)	As at 27 December 2025	As at 28 December 2024
Trade payables	125.9	120.7
Social security and other taxes	17.7	16.9
Other payables	21.7	17.3
Deferred income	33.8	26.2
Accrued expenses	38.4	31.5
Trade and other payables	237.5	212.6

The trade payables balance includes a deduction for amounts due from suppliers to the Group for associated rebates of £19.7m (28 December 2024: £8.7m) when there is a legally binding arrangement in place and it is management's intention to settle net.

The deferred income balance represents amounts received directly from customers for goods and services where the Group has not fulfilled its performance obligations, including upfront deposits received. Under the terms of the relevant contracts, sales made where third parties have provided finance to the customer (not including the upfront deposit) do not give rise to deferred income. Of the total deferred income balance, £30.8m (28 December 2024: £22.6m) related to Design & Installation deferred income.

Revenue of £45.2m was recognised in the 52 weeks ended 27 December 2025 which related to amounts included in deferred income and other receivables balances (note 19) at the beginning of the period (52 weeks ended 28 December 2024: £54.4m). Of this revenue, £22.3m related to the deferred income balance at the beginning of the period (52 weeks ended 28 December 2024: £32.0m).

26 Dividends

(£m)	As at 27 December 2025	As at 28 December 2024
Amounts recognised in the financial statements as distributions to equity shareholders are shown below:		
– final dividend for the 52 weeks ended 28 December 2024 of 7.3 pence (52 weeks ended 30 December 2023: 7.3 pence)	16.7	17.6
– interim dividend for the 52 weeks ended 27 December 2025 of 3.6 pence (52 weeks ended 28 December 2024: 3.6 pence)	8.1	8.5
Total dividend	24.8	26.1

A final dividend of 7.3p is proposed in respect of the 52 weeks ending 27 December 2025. It will be paid on 5 June 2026 to shareholders on the register at the close of business on 24 April 2026 (the Record Date). The shares will be quoted ex-dividend on 23 April 2026.

Shareholders may elect to reinvest their dividend in the Dividend Reinvestment Plan (DRIP). The last date for receipt of DRIP elections and revocations will be 14 May 2026.

Notes to the consolidated financial statements continued

27 Share-based payments

The Group operates a number of share-based payment schemes for Executive Directors and other employees, all of which are classified as equity settled. The Group has no legal or constructive obligation to repurchase or settle any of the options in cash.

The total cost in respect of LTIPs, Transition Awards, SAYE and Free Shares recognised in the income statement was £5.6m in the period ended 27 December 2025 (period ended 28 December 2024: £4.0m). Of this charge, £4.4m (period ended 28 December 2024: £3.6m), which is the amount net of Employer's National Insurance, is credited to equity. Employer's National Insurance (including Apprenticeship Levy) is being accrued on the balance sheet, where applicable, at the rate of 15.5%, which management expects to be the prevailing rate at the time the options are exercised, based on the share price at the reporting date. The total National Insurance charge for the period was £1.2m (period ended 28 December 2024: £0.4m).

The total cost between each of the relevant schemes, together with the number of options outstanding are shown below:

Charge (£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Long Term Incentive Plan	4.7	2.8
Save As You Earn (SAYE)	0.8	0.9
Free Shares	0.1	0.3
	5.6	4.0

Number of options and free shares (thousands)	As at 27 December 2025	As at 28 December 2024
Long Term Incentive Plan	9,343	8,254
Save As You Earn (SAYE)	8,811	11,080
Free Shares	411	348
	18,565	19,682

A summary of the main features of the schemes are detailed below:

Scheme	Scheme name	Grant date	Vesting date	Number of options granted	Vesting criteria	Eligibility	Scheme type	
Long Term Incentive Plan (LTIP)	RSP	31/03/2023	31/03/2025	827,045	A	Executive Directors, designated senior managers	Nil-cost options	
		31/03/2023	31/03/2024	711,237	performance underpin			
	LTIP 25	30/09/2025	30/09/2028	79,070	EPS (60%), TSR (30%) & ESG (10%) targets			
		28/03/2025	27/03/2028	3,013,687				
	LTIP 24	30/09/2024	30/09/2027	23,902				
		27/03/2024	27/03/2027	3,366,432				
		LTIP 23	25/09/2023	25/09/2026	29,735			EPS (70%) & TSR (30%) targets
			31/03/2023	31/03/2026	3,448,605			
		LTIP 22	28/09/2022	28/09/2025	666,396			
				31/03/2022	31/03/2025			1,998,542
	LTIP 21	28/09/2021	28/09/2024	1,795,194				
	Replacement Awards	28/03/2025	24/06/2025 & 03/07/2026 & 07/07/2027	246,163				
	Buyout Award	28/09/2022	09/09/2023 & 25/03/2024	148,114	n/a	CFO		
Save As You Earn (SAYE)	SAYE 25	14/10/2025	14/10/2028	4,708,175	Continued saving for 3 years	All Employees	SAYE options	
	SAYE 24	15/10/2024	15/10/2027	2,243,974				
	SAYE 23	17/10/2023	17/10/2026	2,543,884				
	SAYE 22	18/10/2022	18/10/2025	9,475,353				
	SAYE 21	19/10/2021	19/10/2024	5,433,646				
Free Shares		28/06/2021	28/06/2024	881,940	n/a	All Employees	Nil-cost shares	

In addition to the scheme specific vesting criteria detailed above, for each scheme vesting is ordinarily dependent on the continued employment of recipients. Further features of the individual schemes are detailed below:

Notes to the consolidated financial statements continued

27 Share-based payments continued

Long Term Incentive Plan

The Long Term Incentive Plan (LTIP) 21, LTIP 22, LTIP 23, LTIP 24 and LTIP 25 awards are made at the discretion of the Remuneration Committee, with vesting subject to market and non-market performance criteria measured over a period of three years. The criteria are set by the Remuneration Committee, and are aligned with the long-term strategic objectives of the Group and shareholder value creation.

The Buy-out award is in respect of an award granted to Mark George on his appointment as CFO, following the decisions to buy-out some of the incentive awards forfeited by him from his previous employer, The Gym Group Plc.

Replacement awards are one-off awards to new members of Executive Directors or designated senior managers. These awards were granted as compensation for the forfeiture of incentive awards from previous employers upon joining the Group. These awards vest on specific vesting dates that mirror the original timelines of the forfeited awards, subject to continued service.

The Group granted RSP options with the intention of replacing the majority of the existing LTIP 21 and LTIP 22 awards.

The charge in the period for LTIP includes an accrual of £0.8m (period ended 28 December 2024: £0.7m) for the Group's Deferred Annual Bonus plan in respect of the bonus payable in shares for the period ended 27 December 2025.

Save As You Earn

The Save As You Earn (SAYE) scheme is open to all Wickes Group employees. A maximum monthly contribution of £500 is permitted under the option scheme. Upon vesting, the options will remain exercisable for 6 months.

Free Shares

Free Shares are free Wickes Shares which were allocated to all full-time and part-time employees at demerger and had a market value of £300 or £150 respectively.

Fair value of options

The Black-Scholes option-pricing model is used to calculate the fair value of the options and the amount to be expensed. Judgements including the probability of the performance conditions being achieved, the number of employees who may leave the Group or the scheme, and dividend yields, are included in the fair value calculations.

The following information is relevant to the determination of the fair value of the awards granted under the schemes for the 52 weeks ended 27 December 2025 and the 52 weeks ended 28 December 2024. The information is expressed as weighted averages where relevant:

The Group and Company:	52 weeks ended 27 December 2025	
	LTIP (nil cost options)	SAYE
Share price at grant date (pence)	175.7	219.0
Option exercise price (pence)	–	160.0
Option life (years)	2.8	3.0
Expected dividends as a dividend yield (%)	n/a	3.6%
Risk free interest rate (%)	n/a	3.8%
Volatility (%)	n/a	31.1%

The Group and Company:	52 weeks ended 28 December 2024	
	LTIP (nil cost options)	SAYE
Share price at grant date (pence)	150.4	163.6
Option exercise price (pence)	–	140.0
Option life (years)	2.3	3.0
Expected dividends as a dividend yield (%)	n/a	7.2%
Risk free interest rate (%)	n/a	3.9%
Volatility (%)	n/a	31.0%

As the LTIP awards have a nil exercise price the risk free rate of return, the dividend yield and the volatility do not have any effect on the estimated fair value.

If the LTIP options remain unexercised after a period of 10 years from the date of grant, these options expire. SAYE options expire 3½ years after the date of grant.

The risk-free interest rate of return is the yield on zero-coupon UK Government bonds on a term consistent with the vesting period. Dividends used are based on actual dividends where data is known and future dividends using the Group's five-year plan.

Volatility is based on historic share prices over the period since the demerger date, when Wickes Group Plc joined the London Stock Exchange. Option life used in the model has been based on the option vesting period.

Notes to the consolidated financial statements continued

27 Share-based payments continued

Income statement charge, shares granted and outstanding at the end of the period

A description of the share schemes operated by the Group is contained in the remuneration report on pages 102 to 113. The number of share options granted and the estimated fair values of the shares under option granted under the Group's share schemes in both 2025 and 2024 are shown below:

Grant date – scheme	Expiry date	Exercise price (pence)	Share options (thousands)	Fair value for the Group (£m)
14/10/2025 – Save As You Earn plan	14/04/2029	160.0	4,708	2.2
30/09/2025 – Long Term Incentive Plan	30/09/2035	–	79	0.1
28/03/2025 – Long Term Incentive Plan	27/03/2035	–	3,014	2.6
28/03/2025 – Long Term Incentive Plan Buy-Out	28/03/2035	–	246	0.4
15/10/2024 – Save As you Earn Plan	15/04/2028	140.0	2,244	0.3
30/09/2024 – Long Term Incentive Plan	30/09/2034	–	24	–
27/03/2024 – Long Term Incentive Plan	27/03/2034	–	3,366	2.5

The aggregate number of share awards outstanding for the Group and their weighted average exercise price is shown below:

	52 weeks ended 27 December 2025			52 weeks ended 28 December 2024		
	Weighted average exercise price (pence)	Number of options (thousands)	Number of nil price options (thousands)	Weighted average exercise price (pence)	Number of options (thousands)	Number of nil price options (thousands)
Outstanding at the beginning of the period	67	11,080	8,602	70	10,769	6,948
Granted during the period	94	4,708	3,339	56	2,244	3,390
Exercised during the period	89	(5,355)	(817)	9	(99)	(967)
Forfeited during the period	48	(255)	(366)	104	(1,834)	(320)
Cancelled during the period	94	(1,367)	(1,004)	–	–	(449)
Outstanding at the end of the period	67	8,811	9,754	67	11,080	8,602
Exercisable at the end of the period	104	951	411	–	708	348

Details of the share options outstanding at 27 December 2025 are shown below:

	52 weeks ended 27 December 2025		52 weeks ended 28 December 2024	
	LTIP	SAYE and Free Shares	LTIP	SAYE and Free Shares
Range of exercise price (pence)	–	nil–160	–	nil–196
Weighted average exercise price (pence)	–	138	–	115
Number of shares (thousands)	9,343	9,109	8,254	11,428
Weighted average expected remaining life (years)	1.3	1.9	1.5	1.3
Weighted average contractual remaining life (years)	8.3	2.4	8.6	1.7

28 Commitments

Consignment stock

At 27 December 2025, the Group held consignment stock on sale or return of £7.2m (28 December 2024: £5.6m). The Group is only required to pay for the goods it chooses to sell and therefore this stock is not recognised as an asset.

Capital commitments

Capital commitments comprise amounts payable under capital contracts which are duly authorised and in progress at the consolidated balance sheet date. They include the full cost of goods and services to be provided under the contracts through to completion.

Capital commitments at the end of the period are shown below:

(£m)	As at 27 December 2025	As at 30 December 2024
Committed to but not provided for in the accounts	9.0	9.3

Included in the £9.0m commitment as at 27 December 2025 is £0.5m of capital commitments contractually agreed with external parties (28 December 2024: £0.5m). The Group has rights within its contracts to terminate at short notice and, therefore, cancellation payments are minimal.

Notes to the consolidated financial statements continued

29 Financial instruments

The carrying value of categories of financial instruments

(£m)	Note	As at 27 December 2025	As at 28 December 2024
Financial assets:			
Cash and cash equivalents	20	91.7	86.3
Trade and other receivables at amortised cost	19	48.4	55.3
		140.1	141.6
Financial Liabilities			
Trade and other payables at amortised cost	25	147.6	138.1
Lease liabilities	23	719.8	705.3
		867.4	843.4

Credit risk and impairment

Credit risk is the risk of financial loss to the Group if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Group's receivables from customers and financing institutions.

Trade and other receivables

The Group's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The Group's exposure to credit risk from trade receivables is considered to be low because of the nature of its customers and policies. The carrying amount of financial assets recorded in the financial statements, which is net of impairment losses, represents the Group's maximum exposure to credit risk.

Amounts due are mainly financed by large reputable financing institutions, which have high credit worthiness.

Where the group is exposed to potential credit loss an impairment allowance is made for individual exposures as well as for an Expected Credit Loss (ECL) component established using rates reflecting historic information for payor groups, and forward looking information. The total provision as at 27 December 2025 is £1.0m (28 December 2024: £0.9m).

Trade and other receivables exclude prepayments and accrued income of £15.3m (28 December 2024: £15.3m).

Trade and other payables

Trade and other payables excludes taxation, social security, accruals and deferred income amounts totalling £89.9m (28 December 2024: £74.6m).

Fair value of financial instruments

Financial assets/liabilities designated at fair value through profit and loss comprise foreign currency forward contracts, where the fair value of the contracts is measured by comparing the contract value using quoted forward exchange rates with the value using the exchange rates prevailing at the period end, and a call option for the remaining 49% holding in Gas Fast Limited where the fair value is measured by comparing the enterprise value of the business to the cost of exercising the option.

The following table provides an analysis of financial instruments that are measured subsequent to initial recognition at fair value, grouped into levels 1 to 3 based on the degree to which the fair value is observable:

- Level 1 fair value measurements are those derived from quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2 fair value measurements are those derived from inputs other than quoted prices included within Level 1 that are observable for the asset or liability either directly (i.e. as prices) or indirectly (i.e. derived from prices)
- Level 3 fair value measurements are those derived from valuation techniques that include inputs for the asset or liability that are not based on observable market data (unobservable inputs)

There were no transfers between levels during the period. There are no non-recurring fair value measurements.

The Group held financial instruments measured at fair value as shown in the table below:

(£m)	As at 27 December 2025	As at 28 December 2024
Included in assets		
Level 2		
Foreign currency forward contracts at fair value through profit and loss	–	0.9
Level 3		
Call option at fair value through profit and loss	3.0	–
Included in liabilities		
Level 2		
Foreign currency forward contracts at fair value through profit and loss	(1.3)	–
	1.7	0.9

Market risk

Market risk is the risk that changes in market prices, such as interest rates, will affect the Group's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimising the return on risk.

Interest rate risk

The Group is exposed to interest rate risk arising from fluctuations in market rates. This affects future cash flows from money market investments and the cost of variable rate borrowings such as the Revolving Credit Facility which is currently undrawn. The Group did not have any loans or overdrafts facility during the 52 weeks ended 27 December 2025 (52 weeks ended 28 December 2024: none).

Notes to the consolidated financial statements continued

29 Financial instruments continued Currency forward contracts

The Group acquires goods for sale from overseas, which when not denominated in sterling are paid for principally in US dollars and Euros. The Group has entered into forward foreign exchange contracts (all of which are less than eighteen months in duration) to buy US dollars and Euros to manage the exchange rate risk arising from these anticipated future purchases. At the balance sheet date the total notional value of contracts to which the Group was committed was US\$58.6m and EUR 7.9m (28 December 2024: US\$64.3m and EUR nil). The fair value of these derivatives was a £nil asset and a £1.3m liability (28 December 2024: £0.9m asset and a £nil liability). These contracts are not designated as cash flow hedges, however given fair value accounting for these forward contracts does not reflect the intended economic outcome (i.e. to provide a level of certainty over future foreign currency purchases), the net unrealised gains and losses on remeasurement of the contracts are treated as adjusting items in the Group's adjusted profit measures (see notes 2 and 9 for further detail).

Call option

The fair value of the call option over the non-controlling interest in Gast Fast Limited is determined using valuation techniques because it is not traded in an active market. The Group uses its judgement to select an appropriate valuation method and makes assumptions that are mainly based on market conditions existing at the end of each reporting period. The valuation requires the estimation of numerous unobservable inputs, primarily future financial performance of the entity (revenue growth ranging from 15% to 45%), adjustments for the reduced marketability of a non-controlling interest (ranging from 10% to 17.5%) and an appropriate discount rate to be applied (pre-tax WACC of 24.2%). It is not expected for reasonably possible changes in these assumptions to materially affect the reported fair value. During the 52 weeks ended 27 December 2025, a total gain of £3.0m (28 December 2024: £nil) was recognised in finance income and as a non-current asset.

Liquidity risk

Liquidity risk is the risk that the Group will not be able to meet its financial obligations as they fall due. The Group's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Group's reputation.

Liquidity analysis

The following table details the Group's liquidity analysis for its other financial liabilities. The Group's contractual maturities, as at the balance sheet date, of financial liabilities are as follows:

(£m)	Note	Maturity analysis				
		Carrying amount	Contractual cash flows	Within one year	Between one and five years	More than five years
At 27 December 2025						
Trade and other payables at amortised cost	25	147.6	147.6	147.6	–	–
Lease liabilities	14	719.8	892.2	115.2	388.4	388.6
		867.4	1,039.8	262.8	388.4	388.6

(£m)	Note	Maturity analysis				
		Carrying amount	Contractual cash flows	Within one year	Between one and five years	More than five years
At 28 December 2024						
Trade and other payables at amortised cost	25	138.1	138.1	138.1	–	–
Lease liabilities	14	705.3	868.2	112.3	396.5	359.4
		843.4	1,006.3	250.4	396.5	359.4

30 Related party transactions

Key management personnel

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Group, directly or indirectly. This is the Board, as identified on pages 76 to 77.

Key management compensation

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Salaries and other short-term employee benefits	2.4	2.2
Post-employment benefits	0.1	0.1
Share-based payments	1.5	1.0
	4.0	3.3

The Group has a related party relationship with its subsidiaries and with its Directors. There have been no related party transactions with Directors other than in respect of remuneration.

31 Events after the reporting period

Following the successful completion of the 2025 share buyback programme under which the Group purchased and cancelled £20m of its shares, the Group has approved a new £10m share buyback programme for 2026.

32 Alternative Performance Measures

Stock turn

Stock turn is defined as the cost of goods sold divided by the average of year start and year end inventory. It is a measure of how effective we are in converting our stock into sales.

Stock turn is calculated as follows:

(£m)	27 December 2025	28 December 2024
Cost of goods sold	891.3	844.4
Opening stock	192.9	195.5
Closing stock	199.4	192.9
Average stock	196.2	194.2
Cost of goods sold divided by average stock	4.5	4.3

Notes to the consolidated financial statements continued

32 Alternative Performance Measures continued

Like-for-like sales

The use of like-for-like (LFL) sales and why they are useful is discussed in detail in note 5. Additionally, further LFL calculations, which are useful for the same reason, are calculated as follows:

Like-for-like sales – Retail and Design & Installation

Like-for-like sales are further broken down into Retail and Design & Installation related sales to enable further visibility of the relative performance of the two areas.

	52 weeks ended 27 December 2025
Like-for-like sales – Retail (£m)	
Revenue	1,208.9
Network change	(11.6)
Revenue (like-for-like basis)	1,197.3
Prior period revenue	1,135.2
Prior period network change	(3.0)
Prior period revenue (like-for-like basis)	1,132.2
Increase arising on a like-for-like basis	65.1
Like-for-like revenue (%)	5.7%

	52 weeks ended 27 December 2025
Like-for-like sales – Design & Installation (£m)	
Revenue	427.3
Network change	(8.6)
Revenue generated by business acquired in the period	(5.4)
Revenue (like-for-like basis)	413.3
Prior period revenue	409.3
Prior period network change	(5.6)
Prior period revenue generated by acquired business	(0.4)
Prior period revenue (like-for-like basis)	403.3
Increase arising on a like-for-like basis	10.0
Like-for-like revenue (%)	2.5%

Free cash flow

The use of free cash flow and why it is useful is discussed on page 22. It is calculated as follows:

(£m)	27 December 2025	28 December 2024
Cash generated from operations	206.1	170.6
Add back cash impact of adjusting items	–	4.9
Adjusted cash inflow from operating activities	206.1	175.5
Less: payment of principal of lease liabilities, net of lease incentives received	(81.0)	(83.4)
Less: interest on lease liabilities	(31.1)	(30.1)
Less: purchases of property, plant and equipment, and development costs of computer software	(25.2)	(26.1)
Less: income taxes paid	(12.2)	(8.6)
Add: proceeds on disposal of property, plant and equipment	–	6.3
Less: sale and leaseback transaction	–	(7.4)
Add: interest received	7.3	7.4
Less: interest paid	(1.1)	(1.4)
Free cash flow	62.8	32.2

IFRS 16 net debt leverage

IFRS 16 net debt leverage is the ratio of our net debt balance to our adjusted EBITDA (as calculated above). This enables us to assess whether the profit we generate will be sufficient to pay our debt obligations.

(£m)	As at 27 December 2025	As at 28 December 2024
Adjusted operating profit	74.8	67.4
Add back depreciation of property, plant and equipment	22.1	22.3
Add back depreciation of right-of-use assets	76.6	76.7
Add back amortisation	6.0	6.6
Adjusted EBITDA	179.5	173.0
	27 December 2025	28 December 2024
Net debt	628.1	619.0
Adjusted EBITDA	179.5	173.0
Leverage ratio	3.5	3.6

Company Balance Sheet

(£m)	Notes	As at 27 December 2025	As at 28 December 2024
Assets			
Non-current assets			
Investment	C6	560.0	556.8
Total non-current assets		560.0	556.8
Current assets			
Other receivables	C8	–	–
Total current assets		–	–
Total assets		560.0	556.8
Equity and Liabilities			
Capital and reserves			
Issued share capital	21	23.3	24.2
Capital redemption reserve		2.7	1.8
EBT share reserve	21	(13.7)	(0.5)
Retained earnings		534.8	530.7
Total equity		547.1	556.2
Current liabilities			
Other payables	C8	12.9	0.6
Total current liabilities		12.9	0.6
Total liabilities		12.9	0.6
Total equity and liabilities		560.0	556.8

The profit attributable to the owners of the Company for the period ended 27 December 2025 was £43.9m (28 December 2024: loss of £24.6m).

The company's financial statements of Wickes Group Plc, registered number 12189061, were approved by the Board of Directors on 16 March 2026 and signed on its behalf by:

David Wood
Chief Executive Officer

Mark George
Chief Financial Officer

Company Statement of Changes in Equity

(£m)	Issued share capital	Capital redemption reserve	EBT share reserve	Retained earnings	Total equity
At 30 December 2023	25.2	0.8	(0.7)	593.2	618.5
Loss for the period and other comprehensive income	–	–	–	(24.6)	(24.6)
Dividends paid	–	–	–	(26.1)	(26.1)
Share buyback and cancellation	(1.0)	1.0	–	(15.1)	(15.1)
Purchase of own shares	–	–	–	–	–
Equity-settled share-based payments	–	–	0.2	3.3	3.5
At 28 December 2024	24.2	1.8	(0.5)	530.7	556.2
Profit for the period and other comprehensive income	–	–	–	43.9	43.9
Dividends paid	–	–	–	(24.8)	(24.8)
Share buyback and cancellation	(0.9)	0.9	–	(20.1)	(20.1)
Purchase of own shares	–	–	(18.1)	–	(18.1)
Equity-settled share-based payments	–	–	4.9	5.1	10.0
At 27 December 2025	23.3	2.7	(13.7)	534.8	547.1

Notes to the Company financial statements

This section contains the notes to the Company financial statements. The issued share capital and EBT share reserves are consistent with the Wickes Group Plc Group.

C1 Basis of preparation

The financial statements have been prepared in accordance with Financial Reporting Standard 102 ("FRS 102") in conformity with the Companies Act 2006 and on an historical cost basis. The financial statements are presented in pounds sterling and all values are rounded to the nearest million pounds £0.1m, except when otherwise indicated.

See note 1 for general information about the Company.

The Company has used the exemption granted under s408 of the Companies Act 2006 that allows for the non-disclosure of the income statement of the Parent Company.

As the consolidated financial statements of the Group headed by the Company are prepared in accordance with International Financial Reporting Standards as adopted by the UK and include the disclosures equivalent to those required by FRS 102, the Company has also taken the exemptions available in respect of the following disclosures:

- Cash Flow Statement and related notes
- Key Management Personnel compensation
- Certain disclosures required by FRS 102.26 Share Based Payments
- Certain disclosures required by FRS 102.11 Basic Financial Instruments in respect of financial instruments not falling within the fair value accounting rules of Paragraph 36(4) of Schedule 1

The Company did not have items to be reported as other comprehensive income; therefore, no statement of comprehensive income was prepared.

C2 Significant accounting policies in this section

Financial instruments

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial liabilities and equity instruments are classified according to the substance of the contractual arrangements entered into. An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities.

Investment in subsidiaries

The Company's investments in subsidiaries are carried at cost less provisions resulting from impairment. Investments are assessed for indicators of impairment at each balance sheet date. If there is objective evidence of impairment, an impairment loss is recognised in operating profit in the profit or loss as a charge to administrative expenses.

In testing for impairment, the carrying value of the investment is compared to its recoverable amount, being its value-in-use.

Where indicators exist for a decrease in a previously recognised impairment loss, the prior impairment loss is tested to determine whether a reversal is required. An impairment loss is reversed on an individual impaired asset to the extent that the revised recoverable value does not lead to a revised carrying amount higher than the carrying value had no impairment been recognised.

Share-based payments

The financial effect of awards by the Company of options over its equity shares to employees of subsidiary undertakings is recognised by the Company in its individual financial statements as an increase in its investment in subsidiaries with a credit to equity equivalent to the cost in subsidiary undertakings. The subsidiary, in turn, will recognise the cost in its income statement with a credit to equity to reflect the deemed capital contribution from the Company.

C3 Key estimates and assumptions in this section

Impairment testing of investments in subsidiaries

The Company's investments in subsidiaries have been tested for impairment by comparison against the underlying value of the subsidiaries' assets based on a value-in-use calculation. The value in use calculation requires estimation of future cash flows expected to arise from the subsidiary discounted at a suitable discount rate in order to calculate present value. The significant estimates relate to the Group's profitability over the five-year plan period, the longer term growth rate, and the discount rate used.

C4 Staff costs and Directors' remuneration

The Company had no employees during the year, except for the Directors. The information on compensation for the Directors, being considered as the key management personnel of the Company, is disclosed in note 30.

C5 Auditor's remuneration

Amounts receivable by the Company's auditor and its associates in respect of services to the Company and its associates, other than the audit of the Company's financial statements, have not been disclosed as the information is required instead to be disclosed on a consolidated basis in the Group consolidated financial statements.

Notes to the Company financial statements continued

C6 Investment in subsidiaries

(£m)	Subsidiary undertakings
Cost	
At 30 December 2023	897.5
Additions – share based payments	2.7
At 28 December 2024	900.2
Additions – share based payments	3.2
At 27 December 2025	903.4
Impairment	
At 30 December 2023	(294.1)
Impairment	(49.3)
At 28 December 2024	(343.4)
Impairment	–
At 27 December 2025	(343.4)
Net book value	
At 27 December 2025	560.0
At 28 December 2024	556.8

Details of the Company's subsidiaries at the balance sheet date are in note 17 to the Group consolidated financial statements.

In accordance with accounting standards the Company's investments must have an impairment review if there is an indicator of impairment. The recoverable amount of an asset is the greater of its value in use and its fair value less cost to sell: the value in use of the investment is derived from the Group's five-year plan on a pre-IFRS 16 basis and management believe that this represents a higher value than a potential fair value valuation.

Key Assumptions

The estimation of future cash flows is derived from the Board approved five-year plan, consistent with the basis discussed in note 15 to the Group consolidated financial statements. The key assumptions underpinning the value in use model include revenue growth, gross margin, discount rate, and long term growth rate.

	2025	2024
Pre-tax discount rate	14.9%	16.2%
Revenue growth rate	3.6%-4.1%	4%-7%
Gross Margin	41.6%-42.0%	41.0%-41.4%
Long term growth rate	2.5%	3.5%

Management determined the values assigned to these financial assumptions consistently with the basis discussed in note 15 to the Group consolidated financial statements.

In light of the challenges of performing Value in Use calculations in respect of an Equity Investment on a post-IFRS 16 basis, both the 2025 and 2024 impairment reviews were performed on a pre-IFRS 16 basis. The discount rate disclosed is therefore higher than that disclosed in note 15 (as a pre-IFRS 16 discount rate does not incorporate the cost of debt and lease liabilities).

Impairment

An impairment review was therefore performed, with no impairment charge recognised in the period ended 27 December 2025 (28 December 2024: £49.3m impairment charge). The impairment in the comparative period reflects the weakened UK macro-economic environment and economic outlook in 2024, with an impact on the retail sector as a whole.

Impairment sensitivities

A sensitivity analysis was performed using changes in assumptions applied to the value in use calculation that management consider to be reasonably possible. It is possible that a material movement in headroom would have been identified in the impairment review if the key assumptions were changed in the value in use calculations. The impact on headroom from these reasonably possible changes in assumptions, with all other assumptions remaining the same, are shown below.

	Change in headroom
Pre-tax discount rate increases or decreases by 1%	£(47.7)m – £59.0m
Revenue growth rate increases or decreases by 2%	£109.8m – £(110.0)m
Gross Margin increases or decreases by 1%	£153.8m – £(153.9)m
Long term growth rate increases or decreases by 1%	£42.1m – £(34.1)m

Notes to the Company financial statements continued

C7 Capital management and financial instruments

The capital structure of the Company comprises issued capital, reserves and retained earnings as disclosed in the Company statement of changes in equity totalling £547.1m as at 27 December 2025 (28 December 2024: £556.2m).

Credit risk

As at 27 December 2025, the Company had short-term receivables of £nil (28 December 2024: £nil) owed by subsidiary undertakings, which are repayable on demand and bear no interest. The Directors do not perceive that the recovery of this debt poses any significant risk to the Company given its size in relation to the Company's net assets.

Liquidity risk

The Company finances its activities through its investments in subsidiary undertakings.

The Company anticipates that its funding sources will be sufficient to meet its anticipated future administrative expenses and dividend obligations as they become due over the next 12 months.

Market risk

As at 27 December 2025, the Company had short-term payables of £12.9m (28 December 2024: £0.6m) owed to subsidiary undertakings, which are repayable on demand and bear no interest.

Distributable reserves

The distributable reserves of the Company approximate to the accumulated profits, under Reporting Standard FRS 102, after deducting equity settled share based payments and investments in own shares, resulting in distributable reserves of £505.2m (28 December 2024: £517.5m). When required the Company can receive dividends from its subsidiaries to further increase the distributable reserves.

In the 52 weeks ended 27 December 2025, the Company received £48.0m of dividends from its subsidiaries (52 weeks ended 28 December 2024: £28.0m) to pay to its equity shareholders of the Parent.

C8 Related party transactions

The Company's subsidiaries are listed in note 17 of the Group consolidated financial statements. The following table provides the Company's balances that are outstanding with subsidiary companies at the balance sheet date:

(£m)	As at 27 December 2025	As at 28 December 2024
Amounts owed to subsidiary undertakings		
– Wickes Building Supplies Limited	(12.9)	(0.6)
	(12.9)	(0.6)

The amounts outstanding are unsecured and repayable on demand.

The following table provides the Company's transactions with subsidiary companies recorded in profit for the year:

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Amounts invoiced by subsidiaries	(2.6)	(2.4)
Dividend received from subsidiaries	48.0	28.0
	45.4	25.6

Amounts invoiced to/by subsidiaries relate to general corporate purposes.

Directors' remuneration

The remuneration of the Directors of the Company is set out below. Further information about the remuneration of individual Directors is provided in the audited part of the Remuneration Committee report on page 106.

(£m)	52 weeks ended 27 December 2025	52 weeks ended 28 December 2024
Salaries and other short term benefits ¹	2.4	2.2
Post-employment benefits ¹	0.1	0.1
Share-based payments ¹	1.5	1.0
	4.0	3.3

¹ Emoluments and share-based payment charges for the Executive Directors are borne by a subsidiary company, Wickes Building Supplies Limited, and recharged to Wickes Group Plc. The aggregate gain arising from the exercise of 141,221 options by David Wood on 7 April 2025 and 4 December 2025 was £253,563.

Directors' interests in share-based payment schemes

Refer to note 27 to the Group consolidated financial statements for further details of the main features of the schemes relating to share options held by the Executive Directors and Senior Management Team.

Other transactions

During the period, the Company did not make any purchases in the ordinary course of business from an entity under common control.

C9 Events after the reporting period

Following the successful completion of the 2025 share buyback programme under which the Company purchased and cancelled £20m of its shares, the Company has approved a new £10m share buyback programme for 2026.