

Date: 8 October 2021

TORTILLA MEXICAN GRILL PLC

QCA CORPORATE GOVERNANCE CODE COMPLIANCE STATEMENT

Chair's Introduction

The Board of Directors is committed to ensuring high standards of corporate governance and has decided to adopt and comply with the Quoted Companies Alliance Corporate Governance Code (the "QCA Code"). As the Company is AIM listed, the Board believes that this is the most appropriate corporate governance code to be used. The compliance statement below sets out each of the 10 principles of the QCA Code, along with an explanation of how the Company has applied them from the date of admission to trading on AIM. The Company's compliance with the QCA Code will be reviewed at least annually and updated whenever necessary. Full details will also be set out with a comprehensive explanation of the application of each Principle in the Company's Annual Report.

Emma Woods
Chair

Principle 1: Establish a business strategy and business model which promotes long-term value for shareholders

The Group's purpose, business model and strategy are clearly defined and set out in its Admission Document. This sets out the plans around delivery of long-term growth and how the Company's culture and values have been established to support its long-term success. The Board is responsible for implementing the strategy and managing the business of the Company, for example, all proposed strategic projects and initiatives will be set out in a business case prepared by the Property Director, reviewed by the CEO and presented to the Board for approval.

Further details of the Board's responsibility for implementing the strategy and managing of the business are set out in the Matters Reserved for the Board.

Principle 2: Seek to understand and meet shareholder needs and expectations

The Directors understand the fundamental importance of ensuring and maintaining an appropriate level of dialogue with shareholders. The Chief Executive Officer ("CEO"), supported by the Chief Financial Officer ("CFO") will be responsible for investor relations, with the Board ultimately being responsible for and ensuring a satisfactory dialogue with Shareholders. The Company's financial PR agency (Hudson Sandler) will lead the preparation, coordination and communication of all dealings with the financial community and shall be the primary point of contact for Shareholders and third parties. The CFO will oversee the production of investor relation presentations and provide input into the external reporting process. The Board shall review and approve all investor relation information before it is released to the market.

Shareholders will be kept up to date via announcements made via a Regulatory Information Service on matters of a material substance and / or a regulatory nature. Management are aware of all transactions that need to be announced, having particular regards to related party transactions.

The Company will also hold an Annual General Meeting (“AGM”) each year which will provide all Shareholders with the opportunity to meet the Chair and other members of the Board and ask questions. The results of the AGM will then be announced via a Regulatory Information Service.

Investors or shareholders wishing to contact the Company should, in the first instance, direct their enquiries by email to tortilla@hudsonsandler.com.

Principles 3: Take into account wider stakeholder and social responsibilities and their implications for long-term success

The Company sees its key stakeholder groups as being: employees, suppliers, community, and regulators.

The Board understands that the Group’s long-term success relies heavily upon strong relations with each of their stakeholder groups, and that they need to ensure that the needs of each group are understood and met.

The Board is committed to ensuring a continuous and open dialogue with its stakeholders, both internal and external, as it is understood that stakeholder feedback must be integrated into the Board’s decisions and Company’s strategy and business model as is ultimately integral to the Group’s success.

Principle 4: Embed effective risk management, considering both opportunities and threats, throughout the organisation

The Board is required to ensure that effective risk management, including the consideration of both opportunities and threats, is embedded throughout the Group. A risk management framework is in place and will be reviewed by the Board on an annual basis. Additionally, a robust internal control system has been set up and will be regularly reviewed.

A Risk Register, which will be the central record of risks faced across different risk types and aggregated to reflect the business’ overall risk profiles, has been established and is supported by more granular risk assessments within each business line. This too will be regularly reviewed and updated throughout the year.

The overall risk assessment of the Group will be overseen by the Audit Committee and the Board, with a dedicated risk reporting structure in place to allow risks to be effectively communicated to the Board and to the Audit Committee. Roles and responsibilities within the risk process have been allocated to key individuals.

Further details can be found in the Matters Reserved for the Board and the Audit Committee Terms of Reference. Full details of the key risks faced by the business will also be disclosed in the Company’s Annual Report.

Principle 5: Maintain the Board as a well-functioning, balanced team led by the Chair

The Non-Executive Chair is Emma Woods, who is responsible for leading the Board which currently comprises of two Executive Directors and three Non-Executive Directors (“NEDs”). Two of the Non-Executive Directors, Emma Woods and Laurence Keen, are deemed by the Board to be independent in character and free from relationships or circumstances which could affect their judgement.

The Chair has the ultimate responsibility for corporate governance, and will ensure that the Directors have access to timely, accurate and clear information from which to base their decisions, as well as

ensuring that the Committees are functioning appropriately and the fiduciary requirements of the Board are being carried out. Further information is set out in a supporting document detailing the Chair's specific roles and responsibilities.

The Board has established and is supported by three sub-committees; the Nomination Committee, Audit Committee and Remuneration Committee. Emma Woods is the Chair of the Nomination Committee whilst Laurence Keen is the Chair of the Audit Committee and Remuneration Committee. The Board has determined that each Committee's members have the appropriate skills to discharge their duties.

The Board will hold scheduled meetings on a regular basis, with additional meetings convened as required throughout the year. All matters reserved for discussion and approval by the Board have been set out in a formal document, and shall be reviewed on an annual basis. All Board meetings will be minuted by the Company Secretary with the minutes approved at the subsequent meeting and signed on behalf of the Board.

Outside of formal Board meetings, the Chair intends to meet at least annually with only the NEDs, and the NEDs shall meet annually to appraise the Chair's performance.

Prism Cosec was appointed in September 2021 to provide company secretarial support to the Company and its Committees, and is available to all Directors at any time should they require advice.

Principle 6: Ensure that between them the Directors have the necessary up to date experience, skills and capabilities

Emma Woods and Laurence Keen have considerable previous experience in being directors of listed companies, and each brings appropriate experience of the Board. Andy Naylor (CFO) and Richard Morris (CEO) have been in the business for many years and also have the appropriate experience.

The Nomination Committee will be responsible for overseeing the structure, composition and make-up of the Board and will lead the search and selection process for new Board appointments, including reviewing succession plans, evaluating the balance of skills, experience, independence and knowledge of directors. Additionally, the Nomination Committee will consider diversity, experience, skills and knowledge of the Board on an ongoing basis.

Principle 7: Evaluate board performance based on clear and relevant objectives, seeking continuous improvement

The Board will regularly review the effectiveness of its performance, as well as that of the Committees and the individual Directors. It is intended that Board and Committee performance will be assessed on an annual basis to consider and assess individual's contributions and ensure that the Board is performing effectively as a whole.

It is understood by the Directors that for the Board to continue to perform effectively and continue to improve and develop that membership should be periodically refreshed. The Nomination Committee is therefore responsible for considering succession planning, reviewing Board composition, and training and will consider the use of external advisers as required.

Principle 8: Promote a corporate culture that is based on ethical values and behaviours

The culture of the Group is set by the Board, and the Directors are committed to promoting a culture of honesty and ethical behaviour. All new staff to the Group will receive training and information on the values and culture of the business, as well as receive regular communications from the Senior

Management team. The following policies, amongst others, are included in the Employee Handbook: Whistleblowing, Anti-Bribery, Equality and Diversity, Bullying and Harassment and Corruption and Bribery. The Group invests in creating a culture of employee engagement via the Workplace platform, in addition to which the CEO releases periodic all-employee updates.

Each of the Board Committees is responsible for ensuring an ethical culture is maintained.

The Matters Reserved for the Board includes oversight of competent and prudent management, ensuring workforce policies are consistent with the Company's values and supports long term success of the Company, and approves the strategic aims, objectives and disclosures in the Annual Report.

Principle 9: Maintain governance structures and processes that are fit for purpose and support good decision-making by the Board

The Chair has the ultimate responsibility for corporate governance, and will ensure that the Board retains accountability for good governance and is responsible for monitoring the activities of the Senior Management team. Certain matters are specifically reserved for decision by the Board, and these are set out in a formal Schedule of Matters Reserved for the Board which was approved on Admission and will be reviewed annually going forwards. The matters reserved include decisions relating to:

- the Group's strategic aims and objectives;
- the structure and capital of the Group;
- financial reporting, financial controls and dividend policy;
- approval of significant contracts and expenditure above agreed delegated authority limits;
- effective communication with shareholders; and
- any changes to Board and Committee membership or structure

The roles and responsibilities of the Chair and Chief Executive Officer are set out below:

Emma Woods, as Chair of the Board, is responsible for leading an effective board, upholding high standards of corporate governance throughout the Group, particularly at Board level, and ensuring appropriate strategic focus and direction.

The Chief Executive Officer, Richard Morris, has overall responsibility for proposing the strategic focus to the Board, delivery of the business model and strategy and the day-to-day management of the Group's business.

Each of the Board Committees were established in accordance with the recommendations of the QCA Code. Each Committee supports the Board in effectively carrying out its responsibilities and is governed by their Terms of Reference which are reviewed and approved by the Board annually.

Principle 10: Communicate how the Company is governed and is performing by maintaining a dialogue with Shareholders and other relevant stakeholders

The Board ensures satisfactory and an ongoing dialogue with shareholders and other key stakeholders based on a mutual understanding of objectives. As noted under Principle 2, the Company will host an AGM each year which will provide all shareholders with the opportunity to meet the Chairman and other members of the Board and ask questions. The results of the AGM will

then be announced via a Regulatory Information Service. The Company's website will also be AIM Rule 26 compliant. Additionally, full details of the Group's compliance with the QCA Code will be set out in the Company's Annual Report and Accounts.