TORTILLA
BURRITOS and TACOS

ANNUAL REPORT & ACCOUNTS 2025


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STRATEGIC REPORT

AT A GLANCE

Tortilla Mexican Grill plc *("Tortilla", "the Group")* is the largest fast-casual Mexican restaurant business in the UK and Europe.

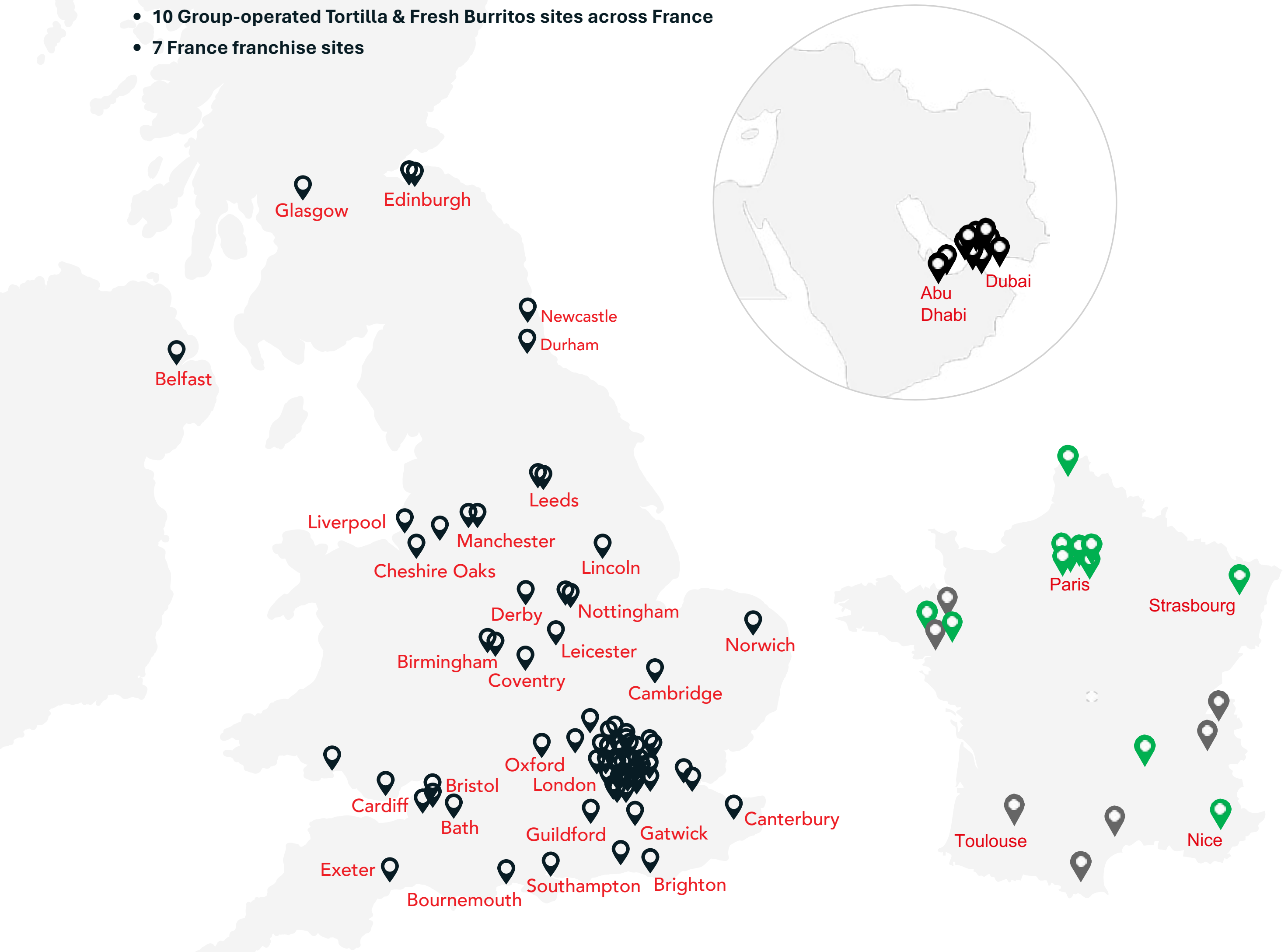
The Group was founded in 2005 by Brandon and Jen Stephens, who arrived in London in 2003 and identified a gap in the market for quality burritos and tacos, like the ones they grew up with in California. They launched the first Tortilla in Islington, London in 2007, with a mission to offer customers freshly prepared, customisable and authentic Californian-inspired Mexican food.

As of June 2026 we've grown to 107 sites worldwide.

> *"THE TORTILLA BRAND IS SYNONYMOUS WITH CRAVE-WORTHY MEXICAN FOOD AND GREAT VALUE FOR MONEY, DELIVERED BY ENGAGING TEAMS AND UNDERPINNED BY AN ENERGETIC, VIBRANT CULTURE."*
>
> *Brandon & Jen Stephens, Founders*

107 SITES WORLDWIDE:

- **62 Group-operated Tortilla UK sites**
- **2 Group-operated Chilango UK sites**
- **10 UK franchise sites (SSP Group plc)**
- **4 UK franchise sites (Compass Group plc)**
- **12 franchise sites across the Middle East**
- **10 Group-operated Tortilla & Fresh Burritos sites across France**
- **7 France franchise sites**



OUR BRAND

Tortilla is more than a meal, it's an experience. Bold, vibrant and full of flavour, we turn everyday eating into something customers crave.

We give guests food they can feel good about without sacrificing flavour: wholesome yet delicious, customisable yet authentic, convenient yet high-quality, served with a personality that sets us apart in the fast-casual sector.

This is a brand people don't just choose; they come back to. Scalable, relevant and emotionally resonant, Tortilla is built for long-term growth in a market hungry for exactly what we offer.

OUR PRODUCT

Our offer is defined by:

CRAVEABILITY

Hugely flavourful as an ethnic cuisine, without resorting to high fat levels to be craveable.

SPEED & CONVENIENCE

A service style that's built for speed, with meals prepared and served in under 90 seconds.

VALUE FOR MONEY

Big on flavour, bigger on portions. We serve generosity by the scoop for those who want something filling.

FRESHNESS

Key toppings made fresh daily in our kitchens – no shortcuts, no artificial flavours, just real food.

PERSONALISATION

From healthy to hearty, with thousands of combinations to make it yours.

INNOVATION

Regular Limited Time Offers ("LTOs") keep the brand culturally relevant and give customers a reason to return, showcasing our passion and innovation.

CHAIR'S STATEMENT

JOINING TORTILLA AS CHAIR

It is a privilege to introduce my first Annual Report as Chair of Tortilla Mexican Grill plc. I joined the Board on 5th December 2025, succeeding Emma Woods, who led the Company in the four years that followed the IPO. On behalf of the Board, I would like to record our sincere thanks to Emma for her stewardship of Tortilla through what was, by any measure, an unusually demanding period for both the Company and the wider hospitality sector.

I came to Tortilla having spent much of my career building and leading consumer-facing businesses through periods of scaling, transformation, and renewal. As Chief Executive Officer of Punch Taverns, Ten Entertainment Group, Empiric, and Bill's Restaurants, and through senior roles in international franchising – including Alshaya, BAA and as a Non-Executive Director of Eathos, Tortilla's franchise partner in the Middle East – I have seen first-hand what it takes to build a hospitality business that is both differentiated and durable. Tortilla has the brand, the product and the operating model to be exactly that. The task ahead is to translate those assets into consistent, well governed execution and scale the business sustainably.

A YEAR OF SIGNIFICANT CHANGE

2025 and the first half of 2026 have been a period of significant change for Tortilla, in which the constitution of the Board and management team have changed, and the new leadership team have taken several decisive actions in the long-term interest of the Company.

In the UK, the business returned to in store volume growth in the second half and exited the year with positive momentum that has carried into 2026, driven largely by continued improvements in product quality and the move to a multi-aggregator delivery strategy.

The Board has acted decisively with my appointment as Chair, to bring about a change to Board composition, with founder Brandon Stephens' return to the company in an executive capacity as Group Chief Executive.

In France, the integration of Fresh Burritos has proved more complex and capital intensive than originally envisaged. In May 2026 we announced that certain operating costs in our French business had been recorded on the Group's balance sheet in FY25 but were not expensed through the profit and loss account, reducing Group Adjusted EBITDA (pre-IFRS 16) for the year by up to £2.5m – a matter of accounting treatment arising from weak financial controls confined to France, without effect on our UK business or on the Group's cash position.

Completing the additional audit work required to fully identify and correct these accounting issues meant we could not publish these audited accounts within the AIM Rule 19 deadline. Therefore, trading of the Company's shares was suspended on 1 July 2026; publication of this report restores compliance, and we have sought the lifting of that suspension.

We have strengthened oversight of the French finance function to ensure lasting and permanent rigour around financial controls and reporting. Our focus now is firmly on completing the turnaround of the French business while carrying forward strong momentum in our UK business.

As set out in more detail in the Chief Executive's statement, the Board has established a clear course to exit underperforming sites in France and concentrate investment behind the converted stores where unit economics are demonstrably stronger. We are also right sizing the cost base of the business and ensuring proper business controls are in place.

Together, the actions taken during the year and since the period end – along with the Ten Key Objectives set out in the Chief Executive's statement – position Tortilla to pursue sustainable, disciplined growth from a strengthened base. Further details on the Board's assessment of going concern, viability and principal risks are set out in the Chief Financial Officer's statement and elsewhere in this Annual Report.

LEADERSHIP TRANSITION

The most consequential decision taken by the Board during the year concerned the leadership of the Company. Following careful deliberation, and with the support of our largest shareholders, the Board concluded that the next phase of Tortilla's development required a different mix of skills and experience at the top of the business.

I am pleased that Brandon Stephens, Tortilla's founder, agreed to return as Group Chief Executive Officer. Brandon's long-term shareholder alignment, deep understanding of the brand and product, and wider perspective from his work in international hospitality make him particularly well suited to leading the Company into its next chapter. The Board and I look forward to working closely with him.

Richard Haley was appointed Chief Financial Officer in 2025, bringing extensive finance leadership in FTSE and AIM listed international multi-site hospitality, retail and consumer businesses, and a strong track record in driving strategic transformation.

REBUILDING THE BOARD

A central focus of my early tenure as Chair has been the considered rebuilding of the Board, with the explicit aim of combining strong listed company governance with direct, recent experience of scaling hospitality businesses of Tortilla's type and stage.

Following the period end, two further Non-Executive Directors joined the Board:

- Marta Pogroszewska, appointed in February 2026, previously served as Managing Director and Chief Operating Officer of Bread Holdings, where she led Gail's Bakery from 27 to more than 180 sites. She has also held senior operational roles at Pret A Manger, including Operations Director, USA. Her experience of scaling a fast casual food brand with a strong culture and operational discipline will be an asset to the Board.
- Gregor Grant, appointed in March 2026 as Senior Independent Director and Chair of the Audit Committee, brings extensive hospitality and financial leadership experience. As CFO of Loungers plc from 2018 to 2024, he oversaw significant estate expansion and the Company's IPO. His combination of recent listed company experience and deep sector expertise positions him well to provide financial and audit oversight.

These appointments follow that of Usman Ali, who joined the Board in early 2025 as Non-Executive Director representing Auctor Group, following Quilvest's exit from the share register.

The Board would also like to thank Keith Down, who stepped down as Non-Executive Director and Audit Committee Chair earlier this year, and Francesca Tiritiello, who stepped down from the Board to assume an expanded role as Board Advisor, leading UK and European franchise development through her advisory firm, Kikkirossi. Francesca's franchising expertise is vital to Tortilla, and her continued involvement remains important to the next phase of franchise growth.

At executive level, the business has also been strengthened with the appointments of Mac Plumpton as UK Chief Executive Officer, and Edson Diaz Fuentes as Food Ambassador.

Taken as a whole, the refreshed Board and executive team bring together founder alignment, direct hospitality scaling experience, international brand management and operations, listed company financial leadership, international franchising expertise, and committed shareholder representation. I am confident this is the right mix of perspectives to support management, challenge constructively and govern the Company through disciplined execution rather than ambition alone.

STRATEGIC RESET AND THE BOARD'S ROLE

Shortly after my appointment, I asked the executive team to step back and review the business with fresh eyes. The Vital Five framework served Tortilla well as a recovery plan and as the scaffolding for our European entry, but the Tortilla of 2026 is a materially different business from the one that adopted it.

The result of this work is the new Ten Key Objectives set out in the Chief Executive's statement, underpinned by five guiding principles: long-term thinking, quality over speed, outward benchmarking, product focus, and customer centricity.

From the Board's perspective, the long-term thinking is a critical principle that directly impacts how we govern, make decisions, and allocate capital. First, it makes explicit the trade-offs the Board and management are prepared to make, including prioritising long-term brand equity over short-term profitability where the two come into tension. And second, it commits both the Board and management to a more disciplined approach to target setting and market communication, grounded in bottom-up projections, thorough processes with appropriate oversight, conservative assumptions and clearly identified risks.

The Board will hold itself and management to these standards. Monthly executive review of initiatives and quarterly Board deep dives on key workstreams are now embedded, with customer metrics a standing Board agenda item. We are also committed to proactive, transparent engagement with shareholders, including acknowledging challenges alongside successes.

GOVERNANCE, STAKEHOLDERS AND OUR PEOPLE

Tortilla continues to apply the Quoted Companies Alliance Corporate Governance Code, which the Board considers appropriate for the Company's size and stage of development. Further detail on governance, risk management and the work of the Board's Committees is set out elsewhere in this report.

The Board recognises that Tortilla's long-term success depends on the trust and engagement of its stakeholders, including customers, team members, franchise partners, suppliers, shareholders and the communities in which it operates. The Section 172 statement later in this report describes how the Board has had regard to these interests during the year.

On behalf of the Board, I would like to thank every member of the Tortilla team – across our restaurants, CPKs and support offices – for their commitment and professionalism. They are the foundation of the business and central to its future success.

AGM AND OUTLOOK

The Company's Annual General Meeting will be held on 25 August 2026. I encourage shareholders to attend and engage with the Board.

Looking ahead, the operating environment remains challenging, but I share the Chief Executive's confidence in the agenda now in place. Tortilla has a strengthening UK business, a clearer path forward in France, disciplined processes, an established franchise platform, and a refreshed leadership team. The Board's role is to support that team to deliver, to challenge constructively, and to ensure that the Company is governed with the discipline and transparency our shareholders expect.

I would like to close by thanking my fellow Directors for the warm welcome I have received, and our shareholders for the trust they have placed in the Board. I look forward to engaging with you in the year ahead.

> *"THE BOARD'S ROLE IS TO SUPPORT THAT TEAM TO DELIVER, TO CHALLENGE CONSTRUCTIVELY, AND TO ENSURE THAT THE COMPANY IS GOVERNED WITH THE DISCIPLINE AND TRANSPARENCY OUR SHAREHOLDERS EXPECT."*
>
> *Dr Duncan Garrood, Non-Executive Chair*

DR DUNCAN GARROOD
NON-EXECUTIVE CHAIR
26 JULY 2026

CHIEF EXECUTIVE OFFICER'S STATEMENT

A FOUNDER'S RETURN AND A CLEAR RESET

Tortilla has been part of my life for nearly two decades. Returning as Group Chief Executive in February 2026 was a decision I made with passion for the business and conviction in the opportunity to enhance the concept, build deeper connections between Tortilla and its customers, and scale the business to reach its potential. We have a brand, a product and a team that I believe in deeply, and the job ahead is to translate those assets into sustainable, disciplined growth.

RETURNING TO LEAD TORTILLA

When I launched Tortilla's first site in 2007, I did so with a simple conviction: that there was a gap in the market in the UK for fresh, wholesome, Californian-inspired Mexican food, served fast and prepared to each customer's taste, just like the places my wife and I grew up with in California. Nearly two decades since we launched the first Tortilla, that conviction remains unchanged. What *has* changed is the scale of the opportunity now that Mexican food is more established in the UK and Europe, and candidly, the scale of the work still ahead of us.

In 2014, after seven years of company-building, I hired my successor Richard Morris, who grew the business significantly over the next decade. Over the years I've remained closely involved with Tortilla – as founder, shareholder and Non-Executive Director. My decision to return was made in close consultation with the Chair and the Board, and with strong shareholder support. I would like to thank Emma Woods for her leadership as Chair through a pivotal period for the business. Following Emma's decision to step down, I am delighted to be working alongside our new Chair, Duncan Garrood, whose hospitality, franchise, and public markets experience is an exceptional fit for the next phase of Tortilla's development.

REFLECTING ON 2025

2025 was a year of progress and of difficult lessons in equal measure. In the UK, the business stabilised and returned to in-store volume growth in the second half of the year, supported by sustained investment in food quality, kiosks, loyalty and brand initiatives. Tortilla UK outperformed the wider eating out market during this period and exited the year with positive momentum that has continued to build in 2026, with LFLs of 13.9% for H1. This performance reflects both the resilience of our core proposition and the dedication of our teams.

In contrast, France has proved far more challenging. The thesis behind the strategic acquisition of Fresh Burritos remains sound: to acquire the second-largest fast-casual Mexican food operator in Europe, establish a foothold on the continent for pan-European growth, and use the scale of the business to put in place a robust supply chain and accelerate the development of an attractive, franchiseable P&L. However, the effort required to convert an underperforming operation in a country notorious for challenging regulations, of a brand that had lost customer appeal, in a market where Tortilla was unknown, with a new supply chain, and with a product category that French consumers are still discovering, is substantial. It required a level of resource, oversight and operational discipline that was insufficiently prioritised. One of my strongest motivations for returning has been to ensure that the French business receives the focused attention it requires. At the same time, the evidence of what is possible is clear: the seven stores converted to the Tortilla brand in 2025 delivered strong, immediate double-digit growth in both sales and customer transactions post-conversion. These are encouraging early signals; in absolute terms, however, average weekly sales across the converted sites remain well below UK levels, and France remains at an early stage and very much a work in progress. Conversely, the non-converted stores have continued to decline, which has been a significant drag on the France division's financial performance.

Confronted with these mixed results, the new Board and I concluded that incremental change was not enough, and that we needed to act decisively to address underperformance head-on. We have begun to exit underperforming Fresh Burritos sites, concentrating our investment behind those converted stores where the unit economics are being proven, and taken measures to right-size the French head office costs. Our 13,000 sq ft CPK in Lille is now serving both our company-owned and franchised stores in France and provides a strong foundation from which to expand into mainland Europe. Our vision of being the leading pan-European fast-casual Mexican chain remains unchanged.

Finally, 2025 brought significant changes in our governance. We welcomed Auctor Group as our largest shareholder early in the year (following the exit of our long-standing and supportive shareholder, Quilvest) and added Auctor Managing Partner Usman Ali to the Board as a Non-Executive Director. We further strengthened our leadership with the appointment of Duncan

Garrood as Chair in Q4 2025 and brought on two additional Non-Executive Directors in Q1 2026 – Marta Pogroszewska (formerly of Gail's) and Gregor Grant (formerly of Loungers) – who bring deep hospitality and public-market experience as well as knowledge of scaling businesses at Tortilla's current stage of growth. Our refreshed Board and leadership team are aligned in their commitment to building long-term shareholder value, and I want to thank every one of our Non-Executive Directors for their guidance and support through what has been a demanding period.

"WE HAVE A BRAND, A PRODUCT AND A TEAM THAT I BELIEVE IN DEEPLY, AND THE JOB AHEAD IS TO TRANSLATE THOSE ASSETS INTO SUSTAINABLE, DISCIPLINED GROWTH."

Brandon Stephens, Group CEO

WHY WE ARE RESETTING THE STRATEGY

Stepping back into the CEO role has given me both the opportunity and the obligation to look at the business with fresh eyes. We have grown in scale and complexity – we are now larger, international, and operating with a substantial franchise platform. In short, we have reached a natural inflection point where it is evident that a more fundamental strategy reset was needed to fully unlock our long-term potential. This also means moving on from the Vital Five framework that previously guided the business' strategic direction. What the business needs now is a set of objectives with greater specificity, which are time-bound and measurable, and against which management can be held to account.

Working closely with the Board and executive team, and having briefed our ten largest shareholders, we identified Ten Key Objectives based on five guiding principles: long-term thinking, quality over speed, outward benchmarking, product focus, and customer centricity, the last of which is expressed in our new organisational North Star: "Create Fanatics, Not Just Customers." The Chair's statement sets out how these principles now shape the way the Board and management govern, set targets and allocate capital.

TORTILLA'S TEN KEY OBJECTIVES

Within this newly reset framework, our Ten Key Objectives will serve as a practical blueprint for the next few years.

It is designed to drive sales in the near term while building a genuinely franchiseable, scalable model for long-term European growth. An overview of the Ten Key Objectives is set out below:

1

REACH BEST-IN-CLASS PARITY ON PRODUCT

Building on two years of recipe, equipment and process upgrades, we are extending the menu across dayparts and occasions, including evening, sharing, dessert, drinks and delivery-specific lines, with a fuller programme of LTOs, to match the best fast-casual Mexican operators.

2

BUILD EMOTIONAL CONNECTION WITH OUR CUSTOMERS

We are taking a bolder brand position and deepening engagement through our Burrito Society loyalty programme – now over 380,000 members – guided by our North Star around being obsessive about the customer experience: 'Create Fanatics, Not Just Customers.'

3

EMBRACE TECHNOLOGY AND AI

We are upgrading our systems and data capability, including deploying practical AI tools around labour scheduling, order accuracy and demand forecasting, to improve both the guest experience and back-of-house efficiency.

4

GROW UK AND IRELAND FRANCHISE PARTNERSHIPS

Building on our partnerships with SSP and Compass, we are pursuing regional area-development agreements in Scotland, Wales, Northern Ireland and the Republic of Ireland to accelerate capital-light expansion.

5

COMPLETE THE BRAND CONVERSION IN FRANCE

By the end of 2026, all our company-operated French sites will trade under the Tortilla brand. Early conversions are encouraging, but as mentioned above we will assess the potential around further conversions through a realistic lens. France remains at an early stage and very much a work in progress.

6

COMPELLING UNIT ECONOMIC MODEL FOR WESTERN EUROPEAN FRANCHISING

With our Lille Central Production Kitchen ("CPK") now operational, our overarching priority is to evidence a unit-economic model that positions Tortilla for franchise rollout across Western Europe, with the aim of a first European franchise partnership by the end of 2027.

7

ADDRESS THE SHORT TAIL OF UNDERPERFORMING UK SITES

Having closed three sites in 2025 and two in 2026, we have performance-improvement plans in place for the remaining underperformers and will renegotiate or exit further sites where required.

8

MODERNISE THE UK ESTATE WITH "TORTILLA 2.0"

Our refreshed store format, piloted in Leeds, brings updated branding, digital ordering and upgraded kitchens; it is already built into our new French and franchise stores and will roll out across the UK as the balance sheet allows.

9

BUILD A THREE-YEAR VALUE CREATION PLAN

We are replacing short-horizon planning with a rigorous, bottom-up three-year Value Creation Plan, set within a five-year financial model and underpinned by clear priorities, sector benchmarking and credible financial milestones.

10

SET REALISTIC TARGETS – AND HIT THEM

We are acutely aware of the need to rebuild trust through disciplined budgeting, proper capital allocation and a culture of accountability, so that the targets we set are the targets we deliver.

These aren't just objectives and workstreams, they're significant opportunities for the business. And they're why I'm so excited about what lies ahead for this business I love.

It starts with the category itself. Mexican is one of the world's most flavourful cuisines, bridging the wholesome and the indulgent; and in a fast-casual setting it's customisable, portable, filling and tasty. Beyond the basics of burritos and tacos, it's a product range that extends from diet-specific salads and protein pots to indulgent, chorizo-and-queso-filled late-night grub. It suits a remarkable range of occasions: a quick weekday lunch, a refuel after the gym, a catch-up with friends, a shared meal before a night out, or a re-energising breakfast the morning after. Few offerings can claim such versatility, and that breadth matters commercially: more reasons to visit, across more dayparts and occasions, and a bigger opportunity per site than a single-occasion format.

It's also a model that scales wherever it's executed well. The US alone has thousands of quick-service Mexican outlets. Some attribute this to its proximity to Mexico, but the category has proven its appeal globally, with thriving taquerias and other quick-service Mexican formats across Western Europe, the Middle East, the Indian sub-continent, South-East Asia and Australia. What separates the winners is authenticity: real ingredients, prepared with care, rather than imitation-Mexican built on tired clichés. So the task ahead is less about reinvention than execution – being excellent, consistently, in a category that already works.

And we're already seeing it come through. First, the food we serve is the best it's ever been and a key driver of our current LFL performance, with real room to extend it across the day. Second, our new branding and store design, which is live now in France and in our new Leeds restaurant, brings Tortilla into line with contemporary trends: uplifting but stripped back; strong on personality yet suited to every daypart; with Mexican soul and California spirit; and equally at home in a shopping centre, a transport hub, or as your local neighbourhood 'burrito joint'. And third, our technology – an area close to my heart from my Silicon Valley days – is being modernised end to end: a new point-of-sale system; a single integrated experience across kiosks, delivery and in-store; a growing loyalty base; and a unified data platform with AI applied quietly behind the scenes, helping us serve people faster and more personally while running a leaner operation.

Do those three things well, and repeatably, and we have something rare: a brand people love, on a model that travels. The opportunity to lead fast-casual Mexican across Europe is real, and we intend to earn it one proven store at a time.

I would like to close by thanking every member of the Tortilla team – across our restaurants, our CPKs in London and Lille, and our support offices in London and Paris – for their resilience, passion and commitment throughout the past year. When I walked back into our restaurants and kitchens in those first weeks of my return, what genuinely struck me was the pride and energy of the people working for Tortilla – teams who care deeply about their stores, the food they make, the customers they serve, and their fellow colleagues. Tortilla's brand and product are only as strong as the people who bring them to life each day, and that has never been more apparent to me than in the months since my return. I am proud to be back leading Tortilla.

CURRENT TRADING AND OUTLOOK

Tortilla UK has delivered strong trading momentum in the first 26 weeks of 2026. LFL sales for H1 2026 were +13.9%, supported by volume growth of +4.8%. In the 12 weeks to 22 March, LFL sales grew +6.7%, with in-store up 6.0% and delivery up 8.2%. Since expanding to a multi-aggregator delivery model in week 13 – listing simultaneously on Deliveroo, Uber Eats and Just Eat – trading has accelerated materially; LFL sales for the 14 weeks to 28 June (end of H1 2026) were +19.7%, with in-store up 6.9% and delivery up +54.1%.

While the consumer environment remains challenging, I am confident in the agenda we have set: the reset is not a reduction in our ambition, but a change in how we will deliver against it. The Group is now well positioned to deliver sustainable growth in the UK and across Europe, and renewed credibility with all our stakeholders. There's no business better poised to capture the fast-casual Mexican market in Europe than Tortilla, and I'm looking forward to leading the next phase of growth to make that a reality.

BRANDON STEPHENS
FOUNDER & GROUP CHIEF EXECUTIVE OFFICER
26 JULY 2026


BURRITOS and TA

KEY STRENGTHS

Tortilla is the largest fast-casual Mexican restaurant business in the UK and Europe, with more than three times the number of restaurants of its nearest direct competitor. Combined with a differentiated, on-trend product and a flexible, capital-light operating model, this market-leading position provides strong foundations for continued growth in the UK and across Europe. The strengths set out below underpin our current trading performance and reflect our confidence in the Group's long-term growth.

CATEGORY LEADERSHIP IN A LARGE AND GROWING MARKET

Mexican cuisine is one of the fastest-growing food categories in global foodservice. The global Mexican restaurant market was valued at approximately USD 76.3 billion in 2025 and is forecast to reach USD 125.7 billion by 2035, a compound annual growth rate of around 5.2%[1]. Mexican cuisine is not just a North American trend: of the 11.2 billion burritos consumed globally in 2024, around two-thirds were eaten outside North America[2]. Despite this, Europe has few fast-casual Mexican operators of scale. This combination of a structural growth tailwind and an established leadership position provide a powerful platform for Tortilla's long-term value creation, with a significant whitespace opportunity in Europe.

A DIFFERENTIATED, ON-TREND PRODUCT

Tortilla has built a strong reputation for freshly prepared, customisable, and great-value burritos, bowls, tacos, quesadillas, nachos, and salads, appealing to a broad demographic and sustaining a loyal and growing customer base. Key toppings are made fresh from scratch every day using a chilled supply chain with no artificial flavours. More than 70% of the menu is plant-based or vegan-friendly, and we source grass-fed British Isles beef alongside higher-welfare chicken and pork.

Our made-to-order service model gives customers extensive choice and aligns naturally with the enduring trends shaping the sector: customisation, protein-led and health-conscious eating, plant-based and flexitarian diets, fresh and minimally processed food, ethical sourcing, and speed without compromise, with meals typically served in under 90 seconds. This value-led, quality-first proposition was recognised by Restaurant Magazine, which previously named Tortilla the UK's Best Value Restaurant Chain over 20 sites.

A SCALABLE, FRANCHISEABLE OPERATING MODEL

Tortilla's operating model has been deliberately engineered for efficient, capital-light growth. Toppings that do not require freshness to enhance their flavour profile are produced in our two CPKs in London, UK and Lille, France, and distributed chilled, giving long shelf life, ensuring consistent product quality across our restaurant estate and removing the need for skilled chefs or sizeable kitchen facilities. In-store preparation is reserved for where freshness matters most, such as guacamole, salsa verde, pico de gallo and various chilled garnishes. Because our format requires no cooking extraction and only low-power kitchens, capital expenditure is reduced as compared to other fast-casual competitors. The range of viable locations for the brand is broad, including compact kiosks, transport hubs, shopping centres, educational institutions, cloud kitchens, and full high-street restaurants. The simplicity of our food also allows new team members to be trained to a high standard quickly, so we can recruit for aptitude and cultural fit from within local communities and remain resilient to labour-market pressures.

THE STRENGTHS UNDERPIN OUR CURRENT TRADING PERFORMANCE AND REFLECT OUR CONFIDENCE IN THE GROUP'S LONG-TERM GROWTH

These same characteristics make Tortilla a compelling franchise proposition, and our franchise platform is already well established. We partner with blue-chip operators – SSP and Compass in the UK and Eathos in the Middle East – all of whom delivered strong sales growth to give a blended LFL of +9.7% in FY25. Eathos launched four new openings including a flagship in Dubai Mall. SSP has also extended its agreement to grow its Tortilla estate to 18 sites. Group franchise system sales now exceed £27 million per annum, bringing total annualised System Sales for the business to £100 million as of June 2026. We are actively pursuing further high-street franchise partners across the UK and Ireland. With the Lille kitchen sized to serve France, the Netherlands, Belgium and Western Germany, the model enables us to extend the brand across Europe through capital-light area-development partnerships.

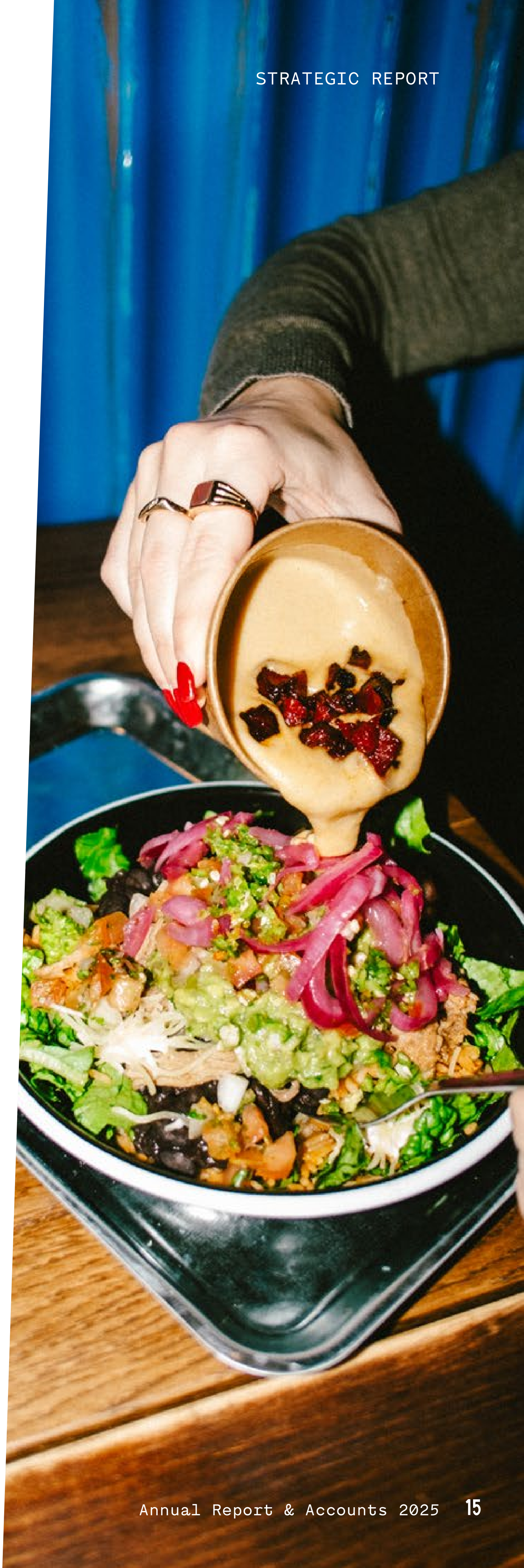
ATTRACTIVE, PROVEN UNIT ECONOMICS

Our growth ambitions rest on a unit model that generates strong, cash-generative returns. Because almost all production is centralised and the format avoids cooking extraction and skilled-chef requirements, both build costs and ongoing operating costs are kept low, protecting margins and enabling the business to fund expansion efficiently. Mature sites operate at a store-level EBITDA margin of 19% and we target a 40% ROCE on new sites, with a minimum hurdle rate of 30%. Estimated capital expenditure per site ranges from £100,000 to £550,000 (excluding landlord contributions), depending on format, size, and condition. These dynamics underpin both our own-store roll-out discipline and the returns available to franchise partners.

MARKETING, LOYALTY, AND A GROWING DIGITAL ECOSYSTEM

Our marketing strategy is focused on building a distinctive, food-led brand while growing customer acquisition, retention, and lifetime value through digital and loyalty channels. Activity is designed to drive both immediate demand and long-term brand equity, supported by seasonal menu launches, culturally relevant campaigns, experiential marketing, and a strong social and digital presence.

Our Burrito Society loyalty programme has grown to more than 380,000 members, creating a substantial customer database that powers personalised communications, targeted rewards, and data-driven customer journeys, and supports greater visit frequency, retention, and lifetime value. We continue to invest in our digital and multi-channel capabilities, including an upgraded app, our Customer Intelligence Platform, self-service kiosks, and expanded direct ordering channels. Kiosks alone are delivering a ~8.5% uplift in average order value and ~3.5% LFL sales growth versus non-kiosk stores. Engagement is also highly concentrated among our most loyal members: 5% of customers generated more than 42% of loyalty revenue in the last 12 months, visiting an average of 18 times per year and contributing £3.9 million in sales.



MULTI-CHANNEL DEMAND GENERATION

Tortilla generates demand across a broad mix of channels and occasions, widening our reach while reducing reliance on any single revenue stream. Customers transact in-store, via delivery aggregators and through our own app (via click-and-collect), and across dayparts from breakfast to late-evening trade. Delivery is a significant and growing channel: we operate a multi-aggregator strategy and returned to Deliveroo in 2026 across more than 60 UK restaurants, complementing our existing platform partnerships. Delivery channels now account for approximately 35% of Group sales. This channel and occasion diversity makes our revenue base more resilient and extends the brand's addressable market well beyond traditional dine-in.

A MUCH-LOVED, AWARD-WINNING BRAND WITH HIGH CUSTOMER ADVOCACY

Tortilla enjoys strong brand equity and genuine customer affection, driving repeat visits and our appeal to prospective franchise partners. We were named the third Most Loved fast-casual brand in the UK by Savanta, and the brand has been recognised widely across the industry, including Zagat's Best Mexican Restaurant in London, Time Out's Best Burritos and Best Cheap Eats lists, and, as mentioned above, Restaurant Magazine's Best Value Restaurant Chain over 20 sites. Customer advocacy is high and improving: our Net Promoter Score stands at an average of 58 over the last 12 months, and we hold an average Google rating of 4.7 out of 5 across major review platforms as of June 2026. This combination of awareness, affection and advocacy provides a durable advantage as we scale.

A FLEXIBLE, WELL-LOCATED ESTATE

Much of the Group's success reflects our ability to flex the model to suit a wide range of locations, with a footprint that scales from 400 to 2,000 sq ft.

The estate is entirely leasehold and well diversified by geography and location type, both within and outside the M25, spanning company-operated and franchised sites across the UK, France, and the Middle East. As of 31 December 2025, the Group operated over 100 sites worldwide. The Board is placing increasing emphasis on capital-light, franchise-led growth alongside a more targeted approach to own-store openings in Grade A locations where brand awareness is highest. In parallel, we are taking a proactive approach to estate management, addressing a short tail of underperforming UK sites from the 2022–2023 expansion to improve overall unit economics and management focus.

A STRENGTHENED LEADERSHIP TEAM AND GOVERNANCE

The Group is led by a refreshed and experienced team. Founder Brandon Stephens has returned as Group Chief Executive Officer, bringing subject-matter expertise, concept development experience, brand-focus, and a strategic long-term perspective. He is supported by Mac Plumpton (former Managing Director of Leon) as UK Chief Executive Officer and Richard Haley as Chief Financial Officer. The Board, chaired by Duncan Garrood, has been strengthened with Non-Executive Directors Marta Pogroszewska (former Managing Director of the holding company behind Gail's Bakery) and Gregor Grant (former CFO of Loungers plc), who bring deep hospitality, operational and financial expertise, and direct experience of scaling businesses at Tortilla's stage of growth.

We hire for values and cultural alignment at every level and work hard to embed our culture throughout the organisation, with the Board and senior team regularly visiting stores and engaging with teams and guests to keep corporate objectives closely connected to on-the-ground practice.

[1] *Source: Business Research Insights, Mexican Restaurants Market (Report ID BRI117881), last updated 8 June 2026.*

[2] *Source: Market Reports World, Burritos Market (Report ID 14717855), last updated 13 June 2025.*

CHIEF FINANCIAL OFFICER'S REVIEW

I joined Tortilla as Chief Financial Officer ("CFO") in October 2025, succeeding Josie Whelan as Interim CFO and, prior to that, Maria Denny as CFO. On behalf of the Board, I would like to wish them well for the future.

FINANCIAL DISCIPLINE AND REBUILDING TRUST

Since joining, my focus has been to strengthen financial governance, reporting and capital discipline across the Group.

The comprehensive review of the Group's French business found that certain operating costs had been recorded in the balance sheet instead of being expensed through the income statement in the relevant reporting periods. Whilst the FY25 accounts reflect the correction of these errors, there may be a need to restate the half-year 2025 accounts when we report the half-year 2026 accounts.

The findings are disappointing and point to a period in which financial controls and oversight in France were not strong enough. A decentralised finance structure, unclear responsibilities between operational and finance teams, and limited Group-level review of the French ledgers allowed the errors to go undetected. Processes and accounting oversight did not keep pace with the complexity of integrating the acquired business. That is not acceptable, and I take responsibility for ensuring it does not happen again.

The Board and I have moved quickly to strengthen oversight and implement a structured programme to improve financial control, reporting discipline and accountability across the Group.

This includes:

- **Strengthened governance and oversight** – greater Group Finance involvement in local reporting, stronger balance sheet review, and clearer accountability for financial control ownership;
- **Enhanced processes and controls** – standardised month-end and year-end close procedures, with additional review of balance sheet classifications;
- **Capability and team strengthening** – investment in the French finance team and targeted training to support consistent application of controls; and
- **Systems and reporting improvements** – simplification of the legal entity structure in France, alignment to a single chart of accounts, migration to a common accounting platform and incorporation of French data into the Group data warehouse.

Together, these actions will create a more robust control framework and support a consistently higher standard of financial discipline, governance and reporting in the French division.

The Board and I recognise that trust must be rebuilt through consistent action. The steps already taken, together with the controls being embedded in FY26, are intended to deliver that.

REVIEW OF PERFORMANCE

My review sets out the Group's financial performance for the 52 weeks ended 28 December 2025, the framework I have put in place for financial discipline going forward, and the Group's liquidity, financing and going concern position.

GROUP FINANCIAL KPI SUMMARY

	2025	2024	Change
Revenue	**£74.0m**	£68.0m	+8.8%
Gross profit margin	**75.2%**	76.6%	-1.4 pts
Administrative expenses	**£68.3m**	£53.3m	+28.2%
Net loss after tax	**£(15.1)m**	£(3.3)m	+354.2%
Cash generated from operations	**£7.4m**	£10.6m	-30.2%
Alternative performance measures ("APMs")			
LFL revenue growth	**5.3%**	(0.1)%	+5.4 pts
Adjusted EBITDA (pre-IFRS 16)[1]	**£1.1m**	£4.5m	-75.6%
Adjusted net cash/(debt) (pre-IFRS-16)[2]	**£(10.8)m**	£(5.7)m	-89.5%

[1] *defined as statutory operating profit before interest, tax, depreciation, and amortisation (before application of IFRS 16), excluding exceptional costs and including other income and reflects the underlying trade of the Group. UK reported an Adjusted EBITDA of £6.3m (£5.2m in 2024), whilst France was £(5.2)m (£(0.7)m in 2024).*

[2] *adjusted net debt defined as net debt/cash, cash equivalent and cash in transit (including card receipts and delivery receipts), excluding lease liabilities arising from application of IFRS 16.*

REVENUE

Group revenue increased by 8.8% to £74.0m (FY24: £68.0m). Revenue growth was primarily driven by UK sales growth from improved food and customer experience, digital and delivery expansion and the full-year impact of France.

GROSS PROFIT MARGIN

The Group achieved a gross profit margin of 75.2% in FY25 (FY24: 76.6%). The principal drivers of the margin movement were:

- investment in UK food quality;
- UK food cost inflation;
- delivery price discounting;
- transitional inefficiencies in France as supply shifted to the Lille CPK; and
- pricing investment in the converted French sites.

ADMINISTRATIVE EXPENSES

Under IFRS 16, administrative expenses exclude property rents (other than turnover rent) and incorporate the depreciation of right-of-use assets.

Administrative expenses were £68.3m (FY24: £53.3m). This includes include several items excluded from Adjusted EBITDA, which comprise:

- an impairment charge of £9.9m (FY24: £1.4m) comprising £5.1m in France given the strategic repositioning of the French estate and £4.8m in the UK reflecting an updated assessment of value-in-use across the cash-generating units and a focus on optimising the UK estate. During the year, the Group closed sites at Oxford, Brewer Street in London and Oxford Road in Manchester;
- pre-opening costs of £0.8m (FY24: £0.4m) principally labour, legal and professional fees and project support from UK Head Office management during the mobilisation of the CPK, the closure of Fresh Burritos sites and non-capital expenditure conversion to the Tortilla brand; and
- exceptional items of £0.8m (FY24: £1.5m, principally Fresh Burritos acquisition costs). In FY25 they relate primarily to site closure costs, legal and professional fees for one-off and project costs, and dual running costs during transition.

The Group ended FY25 with 114 sites (FY24: 117), comprising 65 UK company-owned, 15 UK franchise, 13 France company-owned, 9 France franchise and 12 UAE franchise.

Since the year-end, the Group has closed sites at Canterbury and Portsmouth in the UK, and Fresh Burritos sites at Nice, Grenoble and Nantes in France. In addition, one UK franchise site and two Fresh Burritos franchise sites in France closed.

Administrative expenses after adjusting for the above items were £56.8m (FY24: £50.0m).

The principal drivers of the increase in the year were:

- UK cost pressures, including above inflationary increases in employer's National Insurance, National Living Wage increases and business rates;
- the full-year impact of the French cost base, including the operating costs of the Lille CPK and the French head office; and
- continued investment in growth initiatives including marketing, brand and digital.

Alternative performance measures (“APMs”)	FY25	FY24	Change
System sales[1]	**£98.3m**	£90.0m	+9.2%
LFL revenue growth	**+5.3%**	(0.1)%	+5.4 pts
Of which: UK LFL	**+6.2%**	(0.1) %	+6.3 pts
Of which: France LFL	**+1.7%**	(15.0)%	16.7 pts
Adjusted EBITDA (pre-IFRS 16)	**£1.1m**	£4.5m	-75.6%
Of which: UK	**£6.3m**	£5.2m	+21.2%
Of which: France	**£(5.2)m**	£(0.7)m	741.8%
Adjusted net (debt) (pre-IFRS 16)	**£(10.8)m**	£(5.7)m	-89.5%

[1] *System sales represent the sum of all sales (excluding VAT) made by both franchised and corporate stores to consumers in UK, France and the UAE.”*

SYSTEM SALES

Total Group system sales for FY25 were £98.3m, an increase of £8.3m or 9.2% versus FY24, driven by sales growth from existing owned and franchised stores in the UK, a full year of trading in France and the addition of a net four new franchise stores opened in FY25; three in the UK and a net one in the UAE.

LFL REVENUE GROWTH

- Strong Group like-for-like ("LFL") revenue of +5.3% (FY24: (0.1)%) driven by strong UK performance.
- UK LFL revenue grew +6.2% for the year, significantly outperforming the CGA benchmark, which reported a (1.3)% decline over the same period.
- UK LFL momentum strengthened through the year: Q1 +5.9%, Q2 +4.2%, Q3 +6.9% and Q4 +7.8%.
- UK LFL in-store revenue of +2.9% improved by 3.6 percentage points (FY24: (0.6)%) reflecting improvements in food offering and customer experience and the roll out of self-ordering kiosks, which helps drive higher average order values.
- UK delivery LFL of +12.9% improved substantially (FY24: (10.5)%) benefiting at the start of the year from normalised comparatives following the February 2024 transition to a dual-partner strategy and later in the year from significant discounting.
- This accelerating trend has continued into FY26 with UK LFLs of +13.9% in the first half of the year.

ADJUSTED EBITDA (PRE-IFRS 16) (NON-GAAP)

The Group generated Adjusted EBITDA (pre-IFRS 16) of £1.1m in FY25 (FY24: £4.5m). The UK business continues to demonstrate resilient unit economics and strong cash generation, providing the financial foundation for the Group's strategic reset.

UK Adjusted EBITDA of £6.3m (FY24: £5.2m), reflecting sales growth from the continued improvement in our food offering, sustained investment in kiosks, loyalty and brand initiatives, improved delivery economics and tight cost control.

France reported an Adjusted EBITDA loss of £(5.2)m (FY24: £(0.7)m) reflecting:

- full-year consolidation of Fresh Burritos;
- continued underperformance of non-converted stores; and
- the impact of low volumes on the efficiencies of the CPK and logistics.

Performance across the French estate has been highly polarised. Converted stores are showing strong sales uplifts and improving unit economics, while non-converted stores are continuing to decline.

In response, we have taken decisive action to exit underperforming sites and focus our capital on the converted stores where the unit economics are being proven and taken measures to right-size the French head office costs.

These actions are consistent with the Group's Ten Key Objectives, particularly the prioritisation of product quality, estate optimisation and disciplined capital allocation.

The Group uses Adjusted EBITDA (pre-IFRS 16) as its primary measure of underlying profitability. This measure excludes site pre-opening costs, share-based payments expense, depreciation and amortisation, loss on disposal of fixed assets, impairment, exceptional items, foreign exchange gains and losses and applies pre-IFRS 16 treatment of leases. The Directors believe this measure gives a more relevant indication of the underlying trading performance of the Group, and it is consistent with the basis on which our banking facilities and covenants are measured.

A reconciliation of statutory operating loss to Adjusted EBITDA (pre-IFRS 16) is set out below.

	FY25	FY24
Operating loss	**£(12.1)m**	**£(1.2)m**
Pre-opening costs	£0.8m	£0.4m
Share option expense	£0.0m	£(0.1)m
Depreciation and amortisation	£9.9m	£8.8m
(Gain) / loss on disposal of other non-current assets	£(0.1)m	£0.1m
Impairment charges and lease adjustments[1]	£9.3m	£1.4m
FX (gain) / loss	£0.0m	£0.1m
Exceptional items	£0.8m	£1.5m
Other income	£(0.2)m	-
Adjusted EBITDA	£8.4m	£11.1m
IFRS 16 adjustment[2]	£(7.3)m	£(6.6)m
Adjusted EBITDA (pre-IFRS 16)	**£1.1m**	**£4.5m**

[1] Impairment charges and lease adjustments includes £9.9m of impairments relating to goodwill, right of use assets and property, plant and equipment, and £0.6m of gains from other lease related adjustments.

[2] The IFRS 16 adjustment relates to the impact of IFRS 16 on rental expenses contained within administrative expenses.

IMPAIRMENT REVIEW

In accordance with IAS 36, the Group determined each site as a separate cash-generating unit and reviewed goodwill, right-of-use assets and property, plant and equipment for indicators of impairment at the year-end. In the case of France, goodwill is considered across groups of cash-generating units. Value-in-use calculations have been prepared using Board-approved cash flow forecasts for the four-year period to FY29, with a terminal growth rate of 3% thereafter and a pre-tax weighted average cost of capital of 14.6% (FY24: 15.0%).

The impairment review resulted in an impairment charge of £9.9m (FY24: £1.4m), comprising charges against property, plant and equipment, right-of-use assets and goodwill. The charge reflects a small number of UK sites where the unit economics have not matured as expected (predominantly from the 2022/2023 opening cohort), the closure of a number of UK sites and, in France, a detailed assessment of the carrying value of the goodwill, other intangible assets, right-of-use assets and property, plant and equipment of the unconverted Fresh Burritos sites in light of the strategic repositioning in France. Overall, the impairment charge related to 14 UK sites, ten France sites and all the goodwill in France.

NET LOSS AFTER TAX

The net loss after tax was £(15.1)m (FY24: £(3.3)m), primarily driven by the exceptional items and the trading losses in France.

CASH FLOW AND LIQUIDITY

The UK's core business remains cash-generative. It continues to demonstrate strong cash conversion, supported by its structurally negative working capital model. The France business has consumed more cash than expected in the original business plan, hence the need for a strategic reset.

Cash generated from operations in FY25 was £7.4m (FY24: £10.6m). Net cash from investing activities was an outflow of £(4.4)m (FY24: £(6.3)m), primarily reflecting capital expenditure in three areas: (i) UK estate modernisation and kiosks £2.3m, (ii) conversion of French sites £1.2m, and (iii) completion of the Lille CPK £0.7m.

This cash-generative profile remains central to funding the Group's strategic reset without compromising balance sheet discipline.

FINANCING AND NET DEBT

The Group continued to engage closely and constructively with our banking partner, Santander UK plc, who has remained a supportive lender. The Group completed the refinancing of its principal banking facility in June 2025. The previous £10.0m revolving credit facility was increased to £12.5m. The refinancing provides increased liquidity and flexibility, and a maturity through to June 2028. At the year-end, £12.0m of the £12.5m facility was drawn (FY24: £7.2m of the £10.0m facility drawn). The Group ended FY25 with adjusted net debt (pre-IFRS 16) of £(10.8)m (FY24: £(5.7)m) in line with expectations. Further details of the support from Santander, including covenant waivers, are set out in the going concern section below.

In addition to the Santander facility, the Group continues to hold a portfolio of smaller term loan facilities with French banking groups (Société Générale, BNP Paribas, LCL and Crédit Agricole), acquired as part of the Fresh Burritos transaction. These contribute £0.7m to the Group's net debt at year-end (FY24: £1.3m) and amortise across the period to 2031. Since the year-end, the Group has settled the £0.1m loan with LCL on disposal of the Nice site.

CAPITAL ALLOCATION

The Group's capital remains focused on the funding of the strategic agenda including product and ambience, customer, wider European growth, optimising and modernising the UK estate and strengthening the balance sheet.

We allocate capital against the following hierarchy:

- first, to balance sheet strengthening, including the maintenance of appropriate facility headroom and the reduction of our leverage multiple;
- second, to maintenance capital expenditure required to keep our existing estate trading safely, compliantly and to brand standard;
- third, to investments with clearly evidenced, near-term unit economics – currently, enhancing the converted stores in France, the targeted rollout of the Tortilla 2.0 store concept across the UK estate, and the foundational technology investments set out in our Ten Key Objectives (EPOS, ERP, data warehouse and loyalty);
- fourth, to selective growth investments meeting the Group internally defined return hurdles.

Investments above defined thresholds now go through a structured business-case process, with explicit unit-level assumptions, sensitivity testing and post-investment review. This is consistent with the Board's commitment, set out in the Chief Executive's statement, to evidence-based, bottom-up planning.

This framework ensures that capital prioritisation is consistent, evidence-based and aligned with long-term value creation.

SHARE-BASED PAYMENTS

During the year, the Group granted Long-term Incentive Plan ("LTIP") shares to certain members of the senior leadership team. The 2025 credit reflects the ongoing vesting profile of the remaining LTIP awards, together with the awards granted during the year. The 2024 credit principally reflected forfeitures arising from the non-vesting of the 2023 LTIP tranche, where the FY24 Adjusted EBITDA performance target was not met.

DIVIDEND

The Board has not recommended a dividend in respect of FY25 (FY24: £nil). The Group's capital remains focused on the funding of the strategic agenda including product and ambience, customer, wider European growth, optimising and modernising the UK estate and strengthening the balance sheet. The Group's dividend policy will be kept under review as the Group's underlying profitability and cash generation develops over time.

GOING CONCERN

In assessing the going concern basis of preparation for the Group's consolidated financial statements for the 52 weeks ended 28 December 2025, the Directors have considered the Group's cash flow, liquidity, banking facilities, covenant compliance and business activities for a period of not less than 17 months from the date of approval of the financial statements.

Management has prepared detailed cash flow forecasts covering the going concern period, including a base case, a downside case incorporating Management's quantification of plausible adverse scenarios, and a severe but plausible downside ("reverse stress test") case. These forecasts consider the principal risks faced by the Group and incorporate the effects of mitigating actions available to management in adverse scenarios.

The Group has access to the £12.5m Santander revolving credit facility referred to above, which is committed until June 2028, together with an incremental short-term overdraft facility, repayable on demand, of £1.3 million obtained from Santander after the balance sheet date and the French term loan facilities described above. The Group has access to other sources of funding, if required in the event of the overdraft ceasing to be available. Together with the Group's ongoing working capital management, the Director's consider the Group has access to sufficient resources to meet it's liabilities as they fall due.

As a result of the identification of the accounting issues in the French business, and the requirement to restate adjusted EBITDA within our covenant tests, the Group retrospectively breached its net leverage and fixed charge cover covenants at the December 2025 and March 2026 quarterly test dates. The correction of these errors reduced Group FY25 Adjusted EBITDA to £1.1 million. Santander UK plc has formally waived the breaches at both test dates and agreed revised covenant thresholds for June, September and December 2026, reverting to original levels from 2027. The facility remains fully available.

The Group's forecasts and projections, out to the going concern assessment period of 17 months from the date of signing the financial statements, show that the Group will operate within the covenants of its current available borrowing facilities. The Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 17 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis. The Group's going concern policy is set out in note 2.5 to the financial statements.

LOOKING FORWARD

The Group is progressing through FY26 with a clearer strategy, stronger financial discipline and a more focused capital allocation framework. While work remains to be done, particularly in France, we now have the financial discipline, operational clarity and control required to deliver sustainable growth and rebuild shareholder confidence.

Key priorities for the year ahead include:

- sustaining UK LFL growth and margin improvement;
- reducing losses in France through site exits and head office rationalisation;
- disciplined capital deployment aligned to defined return thresholds;
- establishing a more rigorous, bottom-up approach to market guidance, with forecasts built from initiative-level business cases and clearly identified risks;
- continued strengthening of cash generation and balance sheet position; and
- delivery of the strategic initiatives set out in the Ten Key Objectives

Finally, a word of thanks. My first nine months as CFO have been defined by intense activity and fundamental change. I have acted swiftly and decisively to stabilise, strengthen and rebuild the finance team, with a clear focus on embedding stronger financial control, discipline and transparency. I would like to recognise those team members who have contributed to this process, often while managing increased demands and driving through important changes to processes and controls. I am grateful to every one of them, and am proud to lead the function into its next chapter. I would also like to thank our colleagues across the operations, commercial, technology and people teams in the UK and France, whose partnership with finance has been central to the progress described in this review.

I look forward to building on the foundation we have laid in the first half of 2026, and to engaging with our stakeholders in the year ahead.

RICHARD HALEY
CHIEF FINANCIAL OFFICER
26 JULY 2026

DIRECTORS' DUTIES S172 STATEMENT

The Board considers the needs and concerns of all stakeholders in its running of the Group. By seeking to understand the differing stakeholder interests and impacts through a proactive programme of engagement, the Directors ensure their decision-making is informed and that the development and delivery of our strategy leads to long-term sustainable success for Tortilla.

The Directors are aware of their duties under Section 172(1) of the Companies Act 2006 ("CA06"), to act in the way they consider, in good faith, would be most likely to promote the success of the Group for the benefit of its members as a whole. In meeting these duties during the year, the Directors have had regard, amongst other matters, to:

S172(1)(a)
The likely consequence of any decision in the long term;

- Throughout the period the Board has ensured investment and other decisions, including in relation to new leases or store closures, capex to convert French stores to the Tortilla brand, food supply contracts, and the Group finance facility, are right for the long-term prospects of the business, not just in this uncertain economic environment.
- The Board has also supported investments into and trials for enhanced use of technology (including kiosks) to improve customer experience and long-term cost efficiency in-stores.

S172(1)(b)
The interests of the Group's employees;

- The Board considers feedback from employee engagement activity to ensure employee views are taken into account, where relevant, in its decision-making. During the year, the Group continued to embed the Jalapeño and Cayenne development programmes while expanding learning opportunities through the introduction of Manager in Training Food Induction & CPK Tours, Employee Relations Champions, Centre of Excellence Induction Delivery, Mentor Training, Insights workshops and online learning. Apprenticeship provision was also broadened to support long-term capability development across the business.

S172(1)(c)
The need to foster the Group's business relationships with suppliers, customers and others;

- The Board reviews customer feedback in every Board meeting and uses this data to improve the offering and service across the Group. Further investment into kiosks, LTOs, and food quality during the year have all included consideration of customer proposition and experience.
- The Group maintains close dialogue with its suppliers (including franchise and delivery partners) seeking to maintain positive relationships while ensuring efficiency and value in our supply chain. The Board received regular updates on negotiations with delivery platforms during 2025, leading to our new multi-aggregator arrangement from 17 March 2026.

S172(1)(d)
The impact of the Group's operations on the community and the environment;

- The Group is committed to sustainable and responsible practices, and the Board recognises the need to manage our contribution to greenhouse gas emissions through our supply chain, transportation and food waste.
- During 2025, we have continued to invest in and adopt innovative technologies that are more energy-efficient, environmentally-friendly and have lower footprints.
- To engage with the community the Group engages in a number of activities and initiatives, including promoting lifestyle choices and our 'National Burrito Day' promotion.

S172(1)(e)
The Group's reputation for high standards of business conduct

- The Board regularly reviews the Group's brand standards and updates from our compliance and internal and external store audits.
- The Board takes into account feedback from employee and customer engagement surveys in relation to business conduct.

S172(1)(f)
The need to act fairly as between members of the Group.

- Regular shareholder engagement (including investor meetings, roadshows, one-to-one meetings, and AGMs) is undertaken and feedback on shareholder sentiment/views is reported to the Board.
- The Board takes into account shareholder views when considering strategic and operational decisions.

STAKEHOLDER ENGAGEMENT

The Board is fully committed to engaging with stakeholders and understands the importance of considering their differing interests when considering and making decisions. Stakeholder engagement plays a central part in the Group's purpose and strategy, and will play a fundamental role in helping the Group achieve long-term sustainable success. Whilst it will not always be possible to ensure a positive outcome for all stakeholders following Board decisions, the Board will always listen to and understand stakeholder views.

OUR KEY STAKEHOLDERS:

The Board has identified our key stakeholders as being:

- **Employees**
- **Customers**
- **Suppliers**
- **Local community and environment**
- **Shareholders**

EMPLOYEES

Our employees are critical to our success and in developing high quality service to our customers.

In an increasingly competitive recruitment market, it is essential that we understand the views and experiences of our employees so we can continue to strengthen our position as an employer of choice.

Creating clear career pathways, supported by regular development conversations and meaningful one-to-ones, enables us to maximise internal talent, reduce reliance on external recruitment, strengthen engagement and retention, and build a stronger, more sustainable culture.

STAKEHOLDER INTERESTS:

- Career progression
- Development opportunities
- Reward and recognition
- Health and safety
- Competitive benefits

HOW WE ENGAGE:

- In-store recognition initiatives
- Group's internal employee communication platform - Engage
- Provision of a 24/7 employee assistance programme for health and wellbeing
- Benefit portals Wagestream and Perkbox are accessible to all
- Social events and quarterly business updates
- Weekly performance and recognition reporting
- Assessment of employee engagement conducted annually via Group-wide survey
- Annual Group-wide conference
- Interaction with team members at head office and site visits
- Regular Board reports on key people KPIs

CUSTOMERS

Our success is dependent on maintaining a quality, good value offer and a positive experience for our customers. We must understand evolving customer requirements and experiences in order to best meet their needs and ensure continued loyalty.

HOW WE ENGAGE:

- Digital and in-store marketing
- Customer loyalty program
- Feedback surveys
- Investment in data to understand our target audience, which underpins marketing and food development
- New product development and LTOs
- Brand collaborations
- Allergen and nutritional calculator tool
- Incentivise managers to achieve Net Promoter Score targets for their sites to drive guest obsession across their teams
- Competitor analyses to understand product and pricing within the sector
- Food sales and feedback reviews determine and validate products on offer

STAKEHOLDER INTERESTS:

- High-quality produce at a great price
- Consistency of food and service across the estate
- Widely customisable food offer
- Embracing new food trends

SUPPLIERS

Positive, constructive and long-term relations are important in maintaining efficient and cost effective supply chains which are essential to our ability to deliver a high quality product at good value to our customers.

Constantly evolving technology also means improved efficiency and results opportunities to explore through new suppliers or products.

HOW WE ENGAGE:

- Open dialogue regarding service levels and upcoming challenges/opportunities
- Regular price reviews and fair negotiations
- Menu development discussions

STAKEHOLDER INTERESTS:

- Long-term partnerships and fair pricing
- Ethical and sustainable trading
- Sourcing quality produce and higher welfare meats
- Partnering with suppliers in evolution of services

LOCAL COMMUNITY & ENVIRONMENT

We care about the communities we operate in. We engage with local people and groups in order to learn how best we can support the local economy and provide a safe and friendly space for our local customers.

HOW WE ENGAGE:

- Where possible, hire from within the local communities where stores are based
- Paying competitive salaries and hourly rates
- Provision of safe and friendly space for the local community
- Tight supply chain with controls on sourcing packaging that is in line with our environmental standards

STAKEHOLDER INTERESTS:

- Community resource
- Disposable packaging to be recyclable or bio-degradable

SHAREHOLDERS

Effective communication with shareholders is crucial to understanding and meeting their needs and expectations.

HOW WE ENGAGE:

- One-to-one meetings
- Trading updates via RNS
- AGM, interim and annual reports
- Investor relations programme
- Investor Meet Company presentations
- Corporate website (www.tortillagroup.co.uk)

STAKEHOLDER INTERESTS:

- Financial and operational performance
- Growth in Group
- Environmental, social and corporate governance

Approved by the Board on 26 July 2026 and signed on its behalf by:

RICHARD HALEY
CHIEF FINANCIAL OFFICER
26 JULY 2026

RISKS AND MITIGATION

The Board is ultimately responsible for ensuring that a robust risk management process is in place and that it is being adhered to. The Directors consider the following to be the principal risks faced by the Group:

MACROECONOMIC ENVIRONMENT, CONSUMER DEMAND AND COST INFLATION

Risk: Adverse macroeconomic conditions, cost inflation or shifts in consumer demand could reduce sales, compress margins and impact the Group's profitability. Factors including high inflation, subdued consumer discretionary spending and geopolitical instability reduce customer confidence. Input cost pressures on ingredients, fuel and energy may erode margins. Future price rises risk negative consumer sentiment.

Responsibility: CEO / CFO

Mitigation:

- Management closely monitors macroeconomic developments and incorporates these into operational planning.
- Key ingredient costs are locked in for typical periods of 3–12 months and energy prices hedged where possible.
- Quarterly pricing reviews are aligned to food launches, with increases applied across different product categories at different times.
- The Group ensures it remains competitively priced relative to fast casual and QSR peers.
- Customer value perception is monitored via NPS and feedback data.

SUPPLY CHAIN AND PRODUCTION CONTINUITY

Risk: Disruption to the Group's supply chain or CPKs could impact product availability and the ability of restaurants to trade effectively. Unforeseen events such as disease outbreaks, geopolitical disruption or supplier failures could impair the Group's ability to source produce. The Group's restaurants are reliant on sourcing food products from the Company's two CPKs.

Responsibility: CFO / Food Director

Mitigation:

- The Group uses an external consultancy to manage supply chains in the UK and France.
- Issues are flagged early and resolutions found swiftly.
- The Group uses low risk ingredients which are easily sourced from alternative sources as they are not specialist in nature.
- Plans are being considered to expand the unit to meet the rapidly growing demands.
- With the CPK in Lille, there is complementary business continuity.

FOOD SAFETY, HEALTH AND REGULATORY COMPLIANCE

Risk: Failure to maintain food safety, allergen control or health and safety standards could result in serious harm to customers or employees, regulatory action and reputational damage. Risks include food poisoning, non-compliance with allergen legislation (including Natasha's Law), and accidents at work across the Group's estate.

Responsibility: Food Director / COO

Mitigation:

- Strict food production and storage controls are maintained across the estate. Stores are audited internally and by third-party specialists (Food Alert).
- The UK CPK holds Safe And Local Suppliers Approval ("SALSA") accreditation with full traceability and validated production procedures.
- Allergen procedures are embedded in core training; allergen and dietary information is held centrally, with a centralisation and automation project scoped for Q3 FY26. The Group avoids several of the most serious allergens to reduce exposure further.
- A strong health and safety training culture is maintained.

CYBER / TECHNOLOGY

Risk: Failure or disruption of the Group's technology systems, including cyber incidents, payment outages or ineffective adoption of new technologies, could impact trading, data security and operational efficiency. The Group depends on card payment providers for all in-store revenue. Rapid rollout of AI tools and agentic workflows creates additional risks of data security incidents and inaccurate outputs.

Responsibility: Technology Director

Mitigation:

- CloudMatters MSP manages IT security; our Microsoft Secure Score is significantly ahead of the industry benchmark.
- All domain accounts are protected with MFA; all Group-owned mobile devices are managed via InTune.
- Two separate internet lines per site with failover are in place, supported by a 3G backup payment device and cash fallback at each store.
- Oracle EPOS/Kiosk upgrade commenced with UK and France deployments planned for August 2026.
- Full due diligence has been completed on all implemented AI tools and the risk profile is actively monitored.
- AI Innovation Internship roles have been hired to build internal capability.

BRAND, CUSTOMER PROPOSITION AND CHANNEL PARTNER EXECUTION

Risk: Failure to maintain consistent brand standards and customer experience across owned, franchised and third-party channels could damage the Group's reputation and reduce customer demand. Risks include reputational damage from product or service failures, decline in popularity of Mexican cuisine, over-reliance on delivery partners, and failure of franchise partners to meet Group standards.

Responsibility: Marketing Director / CFO

Mitigation:

- Daily social media and customer feedback monitoring is in place.
- A strong NPD pipeline maintains brand relevance; the Summer Menu (Cali Caesar range) launched June 2026.
- Franchise agreements enforce brand standards through regular audit visits; all franchisees source food via the UK and France CPKs.
- A comprehensive franchisee documentation suite is in place.
- The expansion to a multi-aggregator delivery model across Deliveroo, Uber Eats and Just Eat, has improved channel resilience through reduced dependence on any individual platform. A Head of Delivery joined in May 2026.
- France brand and marketing have been centralised under UK leadership for consistency.

LIQUIDITY, FINANCING AND FINANCIAL CONTROLS

Risk: Failure to maintain adequate liquidity, comply with financing covenants or operate robust financial controls could result in constrained funding, increased financial risk and potential financial loss. Financial reporting and controls discrepancies have been uncovered in France.

Responsibility: CFO

Mitigation:

- The Group has detailed business and cash flow planning processes that includes monthly forecasting of covenant compliance.
- The Group maintains a strong relationship with it's lender Santander UK.
- The Group obtained waivers for historical covenant breaches, arising from the issues in France, and has reset its forward looking covenants.
- Following the investigation in France, the Group has strengthened oversight and implemented a comprehensive review to embed stronger financial control, discipline and transparency in France.
- UK operating cash flow is strong; France funding outflows are forecast to reduce after the restructuring plan has been completed.
- Group net debt ratio deleveraging is forecast through FY26/27.

GROWTH STRATEGY EXECUTION AND CAPITAL ALLOCATION

Risk: The Group may be unable to execute its growth strategy effectively or deploy capital at appropriate returns, including failure to secure suitable sites, deliver profitable expansion, or manage underperforming operations and restructuring activities. Inability to identify and secure high-quality sites on acceptable commercial terms could constrain expansion. Failure to effectively execute restructuring of underperforming operations, including France, could result in materially higher losses.

Responsibility: CEO / CFO / Property Director

Mitigation:

- Disciplined capital allocation framework with Board oversight of all material investment decisions, supported by defined return thresholds and post-investment reviews.
- Active property pipeline and rigorous site evaluation process to support profitable expansion, including data-led site selection and franchise development supported by external market analysis.
- Regular monitoring of site-level performance metrics, enabling early intervention and optimisation actions.
- Structured "accept, improve or dispose" programme for underperforming locations and proactive estate management.
- Ongoing execution of the France restructuring programme.
- Flexible mix of company-owned and franchise partnership growth channels to diversify execution risk and improve capital efficiency.

PEOPLE AND TALENT

Risk: Inability to attract, retain and develop key talent and leadership capability could impair operational performance and constrain delivery of the Group's strategy. The Group's success depends on the retention of key personnel and the ability to recruit, retain and develop site managers and staff.

Responsibility: People Director

Mitigation:

- Strong internal promotion and succession planning framework.
- Investment in colleague development through structured training programmes and a new Learning Management System.
- Regular engagement surveys and action plans to support retention and culture.
- Forward workforce planning to support operational and leadership requirements, including targeted investment in digital, data and AI capabilities.
- CPK and simplified operating model reduces dependence on scarce specialist kitchen skills and exposure to specialist labour market pressures.

CLIMATE-RELATED FINANCIAL DISCLOSURES

CLIMATE-RELATED FINANCIAL DISCLOSURES

This section outlines how the Group identifies, assesses and manages climate-related risks and opportunities and how these considerations are incorporated into the Group's governance, strategy and risk management processes.

The Group's disclosures have been prepared in accordance with the Companies (Strategic Report) (Climate-related Financial Disclosure ("CFD")) Regulations 2022 and are informed by the recommendations of the Task Force on Climate-related Financial Disclosures ("TCFD"). The disclosures reflect the information available to the Group at the reporting date and continue to evolve as data quality, reporting processes and climate risk assessment capabilities develop. Full Scope 3 greenhouse gas emissions have not been fully calculated, following the administration of our third-party carbon consultant. As a result, Tortilla has reduced its reporting scope for 2025. In addition, the French stores have not been included within our scenario analysis, and while a preliminary flood risk assessment indicates where future risks may arise, further work is required to fully understand the level of risk.

Climate-related risks and opportunities are considered as part of the Group's broader risk management and strategic planning processes. While climate change is not currently considered a principal risk to the Group, the Board recognises that climate-related factors may affect the business over the medium and long term through changing regulation, supply chain dynamics, energy costs and physical climate impacts.

With respect to our impact on climate change, our operations contribute to greenhouse gas emissions, and we recognise the need to address these by actively adopting sustainable practices, reducing emissions, and prioritising responsible sourcing. In response to this, the Group has a three-pillar ESG strategy that considers Planet, People and Governance.

This CFD should be read alongside our ESG Impact Report 2025, both of which provide transparency on the resilience of the Group's emissions mitigation strategy and our approach to long-term sustainable value creation.

GOVERNANCE

The Group values strong leadership and transparent governance. Our Board is collectively responsible for setting our company's vision, strategy, and sustainability goals, and we are committed to upholding the Quoted Companies Alliance Corporate Governance Code (the QCA Code) for the highest standards of corporate governance.

The Board has ultimate responsibility for oversight of climate-related risks and opportunities and considers climate-related matters when reviewing strategy, risk management and long-term business planning

The Board exercises climate-related management and implementation through the Executive Management via the Chief Executive Officer (CEO).

We have a robust governance structure in place to ensure effective oversight and accountability for climate-related risks and opportunities.

The Board holds ultimate accountability and conducts an annual review of the Group's risk exposure using the risk register, which includes climate-related risks and opportunities, ensuring they are integrated into established risk management protocols.

Executive Management supports this process through an annual assessment of risks recorded in the risk register, including climate-related considerations. As part of this review, Executive Management evaluates the evolving nature of climate-related risks and opportunities to determine whether any should be escalated to the Board for consideration as a principal risk.

This assessment includes consideration of both physical and transition risks, alongside associated opportunities. The process involves engagement with internal and external stakeholders – including Heads of Department and third-party specialists – to gather a broad range of perspectives and informed input on climate-related issues.

This exercise supports the identification of emerging risks and opportunities associated with climate change. Based on this process and informed by the scenario analysis detailed in this report, climate change has not been classified as a principal risk by the Board.

Climate-related risks are managed through the Group's three lines of defence framework. Operational management and functional leadership form the first line of defence through implementation and monitoring of controls. Executive Management provides second-line oversight and challenge. The Audit Committee provides independent oversight of the effectiveness of the Group's risk management and control environment.

GOVERNANCE SUMMARY FOR CLIMATE-RELATED RISKS AND OPPORTUNITIES

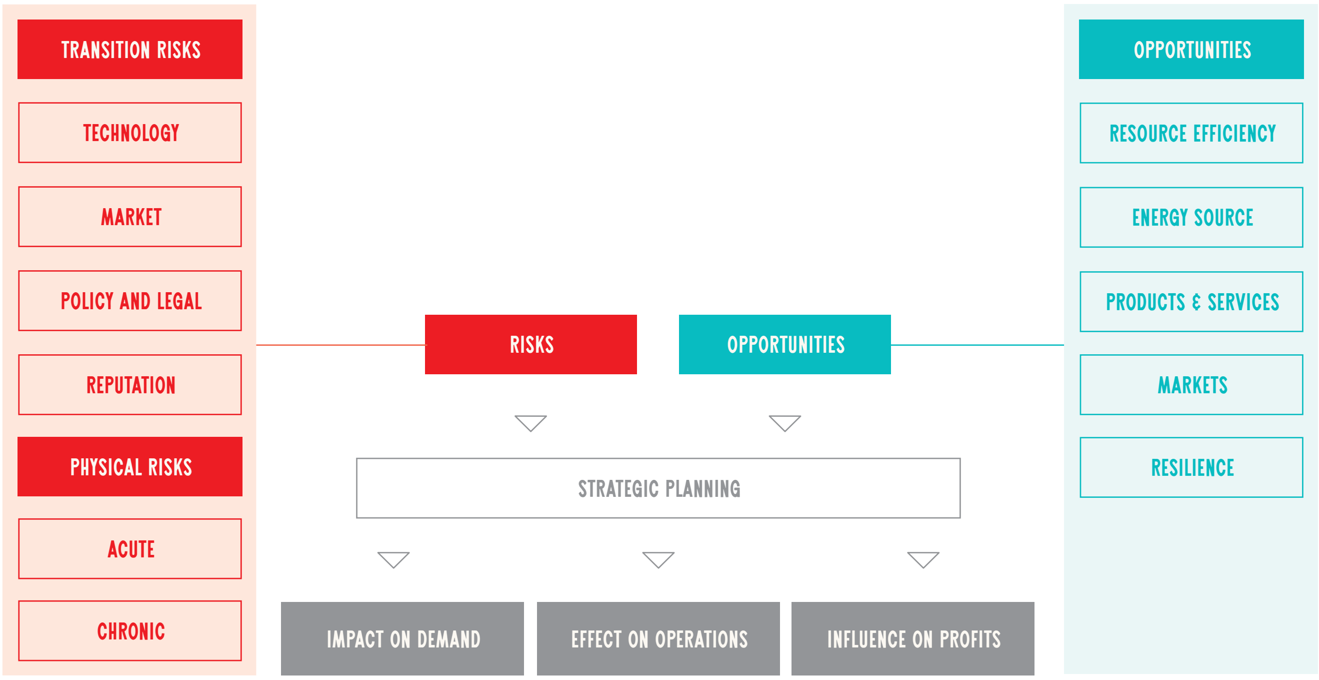
Board of Directors	Monthly	Exercises oversight over Tortilla's vision, strategy, and sustainability goals. Conducts annual reviews of principal risks, which incorporates climate change risks and opportunities, integrating them into the risk management protocols. Considers climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets, and business plans as well as setting the organisation's performance objectives, monitoring implementation and performance, and overseeing major capital expenditures, acquisitions, and divestitures
Executive Management	Monthly	The Chief Financial Officer bears the highest management-level responsibility for climate-related matters, overseeing the formulation, evaluation, and communication of the Company's Net Zero strategy, policies, and standards to the Board. Their duties encompass establishing and assessing progress toward key performance indicators (KPIs), evaluating climate-related risks, and overseeing associated opportunities. The Operations Director provides support to ensure the implementation of sustainability strategies, along with ongoing review of climate-related risks, controls, and mitigations.
Audit Committee	In line with Audit timing	Evaluates the adequacy and efficacy of the Group's risk management and internal control systems, including the potential impact of climate change, outcomes from the Group's scenario analyses, costs associated with achieving our climate Net Zero commitments, and their implications on the financial statements and associated disclosures.
Operational Departments	Ad hoc	Business Development Leaders hold responsibility for managing climate-related risks and opportunities within their respective regions supported by the Operational Departments. Climate considerations are an integral part of Tortilla's day-to-day operations and decision-making, ensuring a holistic approach to climate responsibility.

CLIMATE-RELATED RISKS AND OPPORTUNITIES

APPROACH

To determine climate-related risks and opportunities for this year's Climate-related Financial Disclosures, our internal teams conducted both qualitative and quantitative risk assessments along with scenario analyses. These processes are an integral part of the risk assessment process, reflecting the Group's commitment to amalgamate climate risk into the broader risk management approach. The Group considers both climate-related risks and opportunities when evaluating long-term strategy, operational resilience and capital allocation decisions.

In assessing materiality, the Group conducts a thorough analysis of risks and opportunities, evaluating them across three critical areas, their potential impact on demand, their effect on operations, and their influence on profits.



This structured approach allows for a comprehensive understanding of the significance of each factor, ensuring a strategic perspective in the determination of materiality. Risks and opportunities are prioritised based on their impact on each of the three critical areas and ranked on their overall collective impact.

- ● – Low impact – this demonstrates limited impact on profitability at Group level, no impact to operations
- ● – Medium impact – moderate impact on profitability at Group level, little to no impact to operations
- ● – High impact – material impact on profitability at Group level, impact on operations, the Group must apply mitigating actions

TIME HORIZONS

In assessing climate-related issues, the Group takes into consideration relevant short, medium, and long-term time horizons, acknowledging that these issues often manifest themselves over the medium and longer terms, and are aligned with the useful life of the organisation's assets and infrastructure.

S – Short-term (1-3 years)

M – Medium-term (3-5 years)

L – Long-term (5+ years)

The Group identified two milestones which best reflect periods of time to assess risk, three years is selected as this aligns with the useful life of the organisation's assets, whereas five years aligns with the Group Financial Model.

Impact Timeframe Materiality	Key impact on business	Mitigating actions
Transitional		
Carbon pricing - Increased pricing of GHG emissions		Policy and legal risks
S M L	• Carbon pricing would lead to increased operating costs for the Group. This could include higher energy bills, increased costs for transportation and food sourcing, and additional administrative costs associated with tracking and reporting emissions. • Write offs, asset impairment and early retirement of existing assets.	Current • In 2022 the Group prepared a Glidepath to Net Zero which highlights key areas where the Group can reduce their carbon footprint. • Work with suppliers to reduce emissions. • Plant-based options to reduce carbon and costs – our menu currently offers 11% vegetarian options, with 70% of the menu plant-based Proposed • Cost of high emission products would be reconsidered within pricing strategy.
Increased reporting obligations		Policy and legal risks
S M L	• The Group may need to invest in systems and processes to accurately measure and report emissions, ensuring compliance with carbon pricing regulations. This could involve keeping track of energy consumption, waste, and transportation emissions. • New reporting requirements have been gradually introduced such as the ESG report and TCFD report.	Current • Introduced ESG report in FY2022 and TCFD in FY2023. Now reporting on annually. • Annual legislation horizon scanning. Proposed • Continue to monitor developments in climate-related reporting requirements and enhance governance arrangements where appropriate
Changes in customer preferences		Market risk
S M L	• Customers who are more environmentally conscious may seek out restaurants that offer sustainable and climate-friendly menu options. • The Group may need to reevaluate their sourcing and supply chain practices to align with customer preferences for environmentally responsible ingredients.	Current • Align with industry around data collection and supplier engagement (feedback response). Proposed • New sourcing requirements introduced gradually and in consultation with suppliers.

Increased material and energy costs		Market risk
S (green) M (amber) L (red)	• One of the most direct impacts is the increase in operating expenses. When the costs of ingredients, packaging, and energy rise, it can put pressure on The Group's profit margins. • Efficient supply chain management becomes crucial to control material costs.	Current • Half hourly electricity usage monitoring. • Zero waste to landfill and minimisation of inventory carrying costs by monitoring demand for product against supply'. • Usage of external party to source supply chain which has a competitive price point. • 148 solar panels installed at CPU UK to reduce reliance on grid electricity and associated costs. • 62 out of 65 owned sites in the UK are fitted with smart sockets to reduce electricity costs Proposed • Source supply chain which adheres to carbon requirements as well as a competitive price point.
Stakeholder concern - Risk of failure to align with customer expectations		Reputation risk
S (green) M (amber) L (red)	• Customers may appreciate restaurants that prioritise energy-efficient practices. Therefore, there is a risk of reduced revenue from a decreased demand of goods and services. • Customer preferences for environmentally responsible businesses can influence a restaurant's marketing and branding strategies.	Current • Net Zero by 2045. • Waste management – 100% zero waste to landfill since 2020. • Ethical sourcing and supply chain. We adhere to the Five Freedoms for animal welfare • Sustainable packaging. All UK packaging is 100% recyclable.

Physical		
Extreme weather conditions - Increased severity of extreme weather events such as cyclones and floods		Acute risk
S (green) M (amber) L (red)	• Extreme weather events such as hurricanes, snowstorms, or flooding can disrupt restaurant operations. Restaurants may need to close temporarily due to safety concerns or a lack of customers, which can result in revenue losses. • Severe weather can affect distribution. Roads may become impassable, supplies may be unable to be delivered to stores. • If a restaurant is directly impacted by a severe weather event, recovery and rebuilding can be a long and costly process. It may take time to repair or replace damaged equipment and infrastructure. This can also lead to higher insurance premiums. • During and immediately after extreme weather events, potential customers may stay home or be unable to reach the restaurant due to safety concerns or transportation disruptions. This can result in a significant loss of business and reduced foot traffic. • Risk of an increase in costs from negative impacts on workforce, e.g. Health, safety, and absenteeism.	Current • Well diversified portfolio across the UK and France. • Insurance in place to cover business interruptions, including climate events. • The Group operates a flexible business model, with the product delivery friendly allowing for the Group to partner with Delivery platforms to bring the product to the consumer. • Historical absence of claims is not really a mitigation. • Disaster recovery processes in place for all IT systems. Proposed • Preparing for extreme weather conditions involves investing in preventive measures. This could include disaster preparedness plans, emergency supplies, and training for staff on how to respond to emergencies.
Rising mean temperatures - Risk of lack of sourcing supply options		Chronic risk
S (green) M (red) L (red)	• Severe weather can affect the supply chain. Suppliers may be unable to grow certain produce in certain areas, and supply shortages may occur. The Group might face difficulties in sourcing key menu items, affecting the quality and availability of food. • Power outages and temperature fluctuations caused by extreme weather can lead to food safety concerns.	Current • Back up supply options sourced as a contingency. • Capacity to freeze certain products to ease short term supply shortages. • Food safety and compliance – prevent accidents and foreign body.

Opportunities

Transition to lower emissions technology - Investment in new technologies — Technology opportunity

- S
- M
- L

- The most significant impact is the reduction in the Group's carbon footprint. By using lower-carbon energy sources such as renewable energy (solar, wind, etc.) or energy-efficient equipment, the Group can significantly decrease its greenhouse gas emissions.
- Transitioning to lower-carbon energy sources can lead to cost savings over time. Energy-efficient equipment and renewable energy sources can reduce energy bills, which can positively impact the Group's bottom line.
- Investing in lower-carbon energy solutions demonstrates a commitment to long-term sustainability, future-proofs the business by reducing exposure to volatile energy prices and positions the restaurant as a responsible and forward-thinking establishment.

Current

- Opportunity to reduce emissions and energy costs through investment in energy efficient equipment and measures – gas to electricity, energy efficient lightbulbs etc. 60% of UK stores have LED lighting.
- AI software enabling invoice image recognition eliminating the need to print invoices as well as autofill functionality.
- AI smart plugs installed in 2024 to reduce energy on plugged in devices.
- Solar power – solar panels on UK CPU installed in 2024.

Proposed

- Looking at other options for solar power across future years.
- Consideration around transportation alternatives and more lower-carbon sources.

Resource efficiency - Opportunity to reduce emissions and cost by reducing waste — Technology opportunity

- S
- M
- L

- Improved resource efficiency can lead to significant cost savings. By reducing waste, optimising energy and water usage, and efficiently managing inventory, Tortilla can lower its operational expenses, which can positively impact the Group's profitability.
- Enhancing resource efficiency aligns with sustainability goals and helps reduce the Group's environmental impact. It can result in lower carbon emissions, reduced water consumption, and decreased waste generation, contributing to a more eco-friendly and responsible image.
- Resource efficiency can lead to better menu planning. By reducing food waste through portion control, inventory management, and creative use of ingredients, the Group can optimise its menu offerings and potentially introduce new, sustainable dishes.

Current

- Too Good To Go ("TGTG") partnership
- Installation of kiosks reducing food waste through precise order placement.
- Converting waste oil into biofuel.
- Benchmarking stores – 5 stores have water meters installed which act as a benchmark across the board, encouraging best practices followed.
- Predictive ordering – producing the correct amount of food
- Weekly review of store demand to forecast sales and inform consumables ordering across the supply chain.

Changes in customer preferences — Market opportunity

- S
- M
- L

- Customers may seek more sustainable food options.
- Customers may seek out companies which are more environmentally friendly.

Current

- Opportunity to differentiate through the quality of sustainable offerings e.g. vegan menu.
- Customisable menu, customers can choose based on preferences.
- Implementing environmentally friendly limited-time offers – in Q1 2025 we successfully trialled a Beyond Meat menu option

Proposed

- Maintain regular review of menu mix, supplier diversification and sourcing strategies.

IMPACT ON BUSINESS, STRATEGY AND FINANCIAL PLANNING

INVEST

The Group demonstrates its commitment to environmental sustainability through strategic investments in innovative technologies. Initiatives such as reducing or removing gas usage, installing solar panels, and implementing LED lighting across facilities signify a dedicated effort to transition towards cleaner energy sources and enhance energy efficiency. Additionally, installing kiosks to streamline production processes and implementing predictive ordering systems not only optimise operational efficiency but also contribute to reducing carbon footprints. By consolidating technology and embracing cutting-edge solutions, the Group reflects a forward-thinking stance towards environmental sustainability, reducing emissions while maintaining competitiveness.

INFLUENCE

Acknowledging the significance of Scope 3 emissions, especially those emanating from the supply chain and consumers, underscores the Group's commitment to a holistic emission reduction strategy. Engaging with the supply chain involves collaboration with suppliers to encourage the adoption of sustainable practices and the reduction of carbon-intensive processes. Likewise, connecting with consumers allows the Group to influence behaviour and promote environmentally friendly choices. This includes encouraging eco-friendly choices. For example, how recycling bins are labelled in-store to encourage eco-friendly practices. By addressing emissions beyond its direct control, the Group demonstrates a commitment to driving positive change throughout its entire ecosystem.

MANAGE

The implementation of measures to actively manage and reduce existing emissions is a crucial aspect of the strategy. Employee training plays a pivotal role in ensuring that all staff members are well-informed and aligned with the Group’s sustainability goals. Continuous monitoring and assessment of emissions allow the Group to identify areas for improvement and track progress over time. This proactive management approach not only reduces the environmental impact of current operations but also lays the foundation for a culture of sustainability within the organisation.

SCENARIO ANALYSIS

Drawing from the findings of our qualitative risk assessment, we conducted an evaluation of climate change's physical impacts and the consequences of rigorous climate policies across three distinct climate scenarios, in line with TCFD recommendations. These scenarios included two focusing on physical climate impacts and one centred on low-carbon transitions.

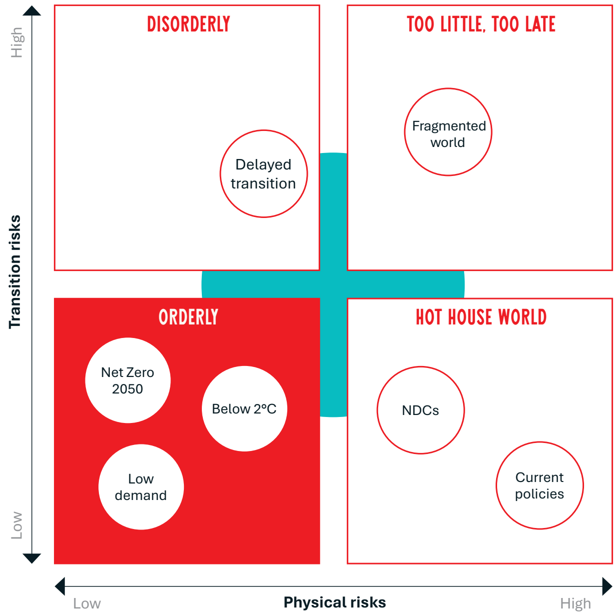
The Network for Greening the Financial System (NGFS), a network of 100+ central banks and Supervisors, partnered with an expert group of climate scientists and economists to design a set of hypothetical scenarios. They provide a common and up-to-date reference point for understanding how climate change (physical risk) and climate policy and technology trends (transition risk) could evolve in different futures. Seven scenarios were developed, where each scenario shows a range of higher and lower risk outcomes. These scenarios share similar socio-economic assumptions. They assume a continuation of current economic and population trends. The seven scenarios can be categorised within four subsections:

Orderly scenarios assume climate policies are introduced early and become gradually more stringent. Both physical and transition risks are relatively subdued.

Disorderly scenarios explore higher transition risk due to policies being delayed or divergent across countries and sectors. Carbon prices are typically higher for a given temperature outcome.

Hot house world scenarios assume that some climate policies are implemented in some jurisdictions, but global efforts are insufficient to halt significant global warming. Critical temperature thresholds are exceeded, leading to severe physical risks and irreversible impacts like sea-level rise.

Too little, too late scenarios reflect delays and international divergences in climate policy ambition that imply elevated transition risks in some countries and high physical risks in all countries due to the overall ineffectiveness of the transition.



In order to gain a better understanding of the external impacts of climate change, three NGFS scenarios were selected to show an active approach, a reactive approach, and business as usual approach.

The three scenarios chosen were:

1. Net Zero 2050 - limits global warming to 1.5°C through stringent climate policies and innovation, reaching global net zero CO2 emissions around 2050. Some jurisdictions such as the US, EU and Japan reach net zero for all GHGs.
2. Delayed Transition – assumes annual emissions do not decrease until 2030. Strong policies are needed to limit warming to below 2°C. CO2 removal is limited.
3. Fragmented World - assumes that only currently implemented policies are preserved, leading to high physical risks.

COST IMPACT OF CLIMATE SCENARIO:

- less than 1% cost increase as a % of sales
- between 1% and 3% cost increase as a % of sales
- larger than 3% cost increase as a % of sales

SCENARIO 1

INCREASED MATERIAL AND ENERGY COSTS

Electricity price has been selected as a focus for the analysis. The UK intends to decarbonise the grid by 2030, so it can be assumed that the investment costs towards this decarbonisation would impact the cost of electricity. Electricity currently makes up 2% of the Group's revenue, and fluctuations can have a material impact.

Focus area: Electricity price

Data Sources – NGFS (GCAM 6.0 NGFS)

For the purpose of this exercise, these assumptions are implemented:

- GDP increase and inflation rates are taken from the IMF website
- Consumption levels remain constant per store until 2045
- No action is taken to reduce costs or consumption
- Data is available in 5 year increments, this is extrapolated to achieve annual figures
- NGFS – Electricity price model used

Cost increase as a % of revenue	2030	2045
Net zero 2050	●	●
Delayed transition	●	●
Fragmented world	●	●

Key takeaways:

In the case that the world takes an active approach towards reducing emissions, costs will see an increase starting from the short term, however if a reactive approach is taken, the Group will only start seeing cost increases from around 2035. In all scenarios, costs will have only a mild impact on the business.

Proposed actions to mitigate increase in electricity costs:

- Potential to expand solar PV at the Central Production Kitchen in France.
- Review green electricity tariffs in 2026 following changes to renewable electricity procurement arrangements Ensure we use energy efficient systems wherever possible e.g., replacing lights with LED and using passive infra-red sensors (PIRs) where possible
- Energy surveys will be undertaken at sites consuming large amounts of electricity to identify Capex opportunities, such as installation of energy efficient equipment or improving the building's energy performance
- Investigation into the expansion of AI powered smart plugs across stores in France to reduce the energy for plugged in devices.

SCENARIO 2

RISING MEAN TEPERATURES, RISK OF SOURCING SUPPLY OPTIONS

Cost of proteins has been selected for as a focus for this analysis as proteins are a staple of the Group's COGS, making up 24% of the group's revenue. Price fluctuations will impact the business strategy, marketing and price point.

Focus area: Cost of Proteins

Data Sources: NGFS (REMIND-MAgPIE 3.2-4.6)

For the purpose of this exercise, these assumptions are implemented:

- GDP increase and inflation rates are taken from the IMF website
- No change to the sales mix until 2045
- No action is taken to reduce costs
- Data is available in 5 year increments, this is extrapolated to achieve annual figures
- NGFS – Non-Energy Crops and Livestock price model used

Cost increase as a % of revenue	2030	2045
Net zero 2050	●	●
Delayed transition	●	●
Fragmented world	●	●

Key takeaways:

Within the next ten years, all scenarios point to minimum impact, however in the long term, global warming can indirectly lead to increases in meat prices by affecting feed crop production, exacerbating water scarcity, causing heat stress on livestock, altering grazing patterns, and prompting regulatory responses. These interconnected factors contribute to higher production costs for meat producers, which are ultimately passed on to the Group in the form of elevated meat prices. In addition to the physical risks, it's important to note the transition risks, notably the possibility of future carbon tax on both animal protein as well as well as transportation which according to NGFS would impact the Net Zero 2050 scenario from 2030 and all scenarios from 2035 onwards.

Proposed actions to mitigate increase in protein costs:

Evaluate the menu to identify opportunities for cost-saving without compromising quality or customer satisfaction.

- Strengthen relationships with suppliers and negotiate better pricing terms. Explore options for long-term contracts or volume discounts to secure stable pricing amid fluctuations in food costs.
- Embrace seasonal and locally sourced ingredients, which can often be more affordable than imported or out-of-season items.
- Implement efficient inventory management practices to minimise waste and optimise stock levels.
- Implementing dynamic pricing strategies that allow for flexible pricing based on ingredient costs, demand fluctuations, or seasonal trends.
- Stay up to date with the latest consumer behaviour and technologies, the scenario is assuming the current sales mix will remain until 2045, it's likely that there may be new alternatives to meats which may be more affordable.

SCENARIO 3

EXTREME WEATHER CONDITIONS

Flooding has been selected as a focus for the analysis, as the Group have access to relevant information regarding flood risk from the Group's insurance provider.

Focus area: Flooding

Data Sources: flood-map-for-planning.service.gov.uk, flood-risk-maps.naturalresources.wales, map.sepa.org.uk, www.floodinfo.ie, Insurance provider, https://discomap.eea.europa.eu/floodsviewer/?page=Page, https://www.ecologie.gouv.fr/politiques-publiques/prevention-inondations#scroll-nav__3

Assumptions:

- No Group growth or expansion
- There will be no changes to flood defences up to 2045

Results:

The Group's insurance provider has identified two stores as being in a high-risk flood zone, Tortilla Cabot Circus and Tortilla Guildford. Assessing the flood map for planning service and the risk of flooding from rivers and the sea, as well as the two locations identified, there are an additional seven stores which are within zone 3 for flood risk, all of which have flood defences, and an additional one in a zone 2 for flood risk. The stores within zone 3 are Tortilla Canary Wharf, Tortilla Hammersmith, Tortilla Lakeside, Tortilla Southwark, Tortilla Peckham, Tortilla Greenwich and Tortilla London Bridge. The Group's Central Production Kitchen also falls within a zone 2 area for risk of flooding from rivers and the sea.

The France stores have been assessed using the online tracking tool provided by the French government to verify flooding risk. Each region sets its own parameters for level of risk. The country wide tool then identifies if the address has been declared a potential risk or not by the region's authority. Because the majority of the France stores are near rivers, most have been identified with potential for flooding. Stores flagged at risk are Bethune, Atlantis, Nantes, Grenoble, Bercy, Cergy, Nice, Gare du Nord and Strasbourg. As the stores are consolidated and rebranded one of the areas to investigate will be what specific flood protection is required for each store based on the region's risk level and store circumstances, and what that means for risk management. The stores are currently insured individually but on move to the group insurance programme there will also be steps taken to confirm risk by the insurer and make sure appropriate flood cover is provided.

Key takeaways:

As we progress towards 2045, it becomes more likely that floods will occur, particularly in high-risk flood areas. As the stores are based predominantly in the UK, flood risk is relatively low, and all stores within a high-risk flood area have flood defences built. In the case of a flood, insurance will cover the cost of rebuilding the store as well as any business interruption causing loss of sales, however for the two stores identified by our insurance provider, the excess is £100,000 if the Group were to put a claim forward.

The impacts of the potential exposure to flooding were not found to be significant in the context of the overall business. The impacts of potential exposure to flooding were not found to be significant in the context of the overall business. This is particularly true in the short term, where no material disruption or damage to UK or French stores from surface water or river flooding has been reported.

Actions:

- The Group works closely with our insurance provider on a business continuity program and ways to reduce risks of business interruption.
- Our insurance company performs annual store surveys and report back to the Group with any improvements.
- Investigate options which provide an excess protection solution.
- Preparing for extreme weather conditions involves investing in preventive measures. This could include disaster preparedness plans, emergency supplies, and training for staff on how to respond to emergencies.
- France stores to be assessed for flood risk in 2026, and preventative measures put in place if the risk level deems this necessary.
- France insurances for flood protection to be reviewed on amalgamation into Group insurance programme during 2026.

Based on the scenario analysis performed, the Board believes the Group's business model remains resilient under each of the scenarios assessed. While certain climate-related risks may result in increased operating costs, supply chain disruption or additional capital expenditure over time, none of the scenarios modelled indicates a material threat to the viability of the business over the planning period.

RISK MANAGEMENT

The Board consistently reviews the principal risks to ensure the safeguarding of our business longevity, reputation, and environmental impact in the best interest of our business and stakeholders. Critical risks, which could impede business operations or significantly affect profitability or reputation, are identified, and incorporated into our Board-reviewed risk register. Key risks, integral to routine business considerations, also feature in this register.

IDENTIFYING AND ASSESSING CLIMATE-RELATED RISKS

The Group employs a comprehensive approach to assess the relative significance of climate-related risks compared to other risks. This involves conducting assessments at various levels of the business, engaging consultants on an annual basis, and leveraging the expertise of the Board. The assessment considers both financial and non-financial impacts, with a particular focus on evaluating the potential for reputational damage. Additionally, the Group takes into account other relevant factors, such as technological advancements, market trends, and stakeholder expectations, in the comprehensive evaluation of climate-related risks.

DETERMINE CLIMATE SCENARIOS

↓

STAKEHOLDER ENGAGEMENT

↓

ASSESS THE RISK IMPACTS

↓

LINK RISKS AND OPPS

↓

INTEGRATE INTO STRATEGY

Furthermore, the Group actively considers existing and emerging regulatory requirements related to climate change. This involves a holistic perspective that encompasses financial and non-financial impacts, recognising the potential repercussions on the organisation's overall performance. The assessment extends to potential reputational damage, emphasising the need for compliance with evolving climate-related regulations.

For climate-related risks which are deemed to impact the Group, the potential size and scope of climate related risks are assessed via either a qualitative assessment of operational and strategic risks or, where applicable, a quantitative analysis of potential financial impacts using forward-looking scenarios.

A crucial component of the risk management framework is the definition of risk terminology. The Group categorises climate-related risks into Physical Risks and Transition Risks, aligning with the framework established by the Task Force on Climate-related Financial Disclosures (TCFD) and adopted by the CFD Regulations. Physical Risks encompass event-driven occurrences, both acute (such as extreme weather events) and chronic (longer-term shifts in climate patterns). These risks may manifest in direct damage to assets or indirect impacts from supply chain disruptions. Transition Risks, on the other hand, arise from the shift towards a lower-carbon economy and involve policy, legal, technological, and market changes. The alignment with the TCFD framework promotes clarity and standardisation in communicating these risks.

The Group's risk management processes reflect an adaptable approach to identifying, assessing, and disclosing climate-related risks. By integrating various assessment methods, considering regulatory requirements, and aligning with established frameworks, the Group ensures a comprehensive and transparent representation of its climate risk management efforts.

MANAGING CLIMATE-RELATED RISKS

Management, tasked with overseeing and devising action plans, holds responsibility for monitoring both critical and key risks. Management evaluate strategies for risk mitigation, transfer, acceptance, or control and report progress to the Board.

In prioritising climate-related risks, Management carefully evaluate materiality, considering both short-term and long-term implications to align risk management strategies with business objectives. Our commitment to adaptability ensures that our risk management processes stay responsive to the dynamic landscape of climate-related challenges, reflecting our dedication to sustainability and resilience.

INTEGRATION INTO THE ORGANISATION'S OVERALL RISK MANAGEMENT

We have seamlessly integrated our processes for identifying, assessing, and managing climate-related risks into our overall risk management framework. Recognising the interconnected nature of risks, our approach ensures that climate-related considerations are an integral part of our broader risk management strategy.

Our identification process involves a comprehensive analysis that considers the potential impacts of climate-related factors on various aspects of our operations and supply chain. We assess both the immediate and long-term implications of these risks. This information is then seamlessly integrated into our overall risk assessment, ensuring a holistic understanding of the interplay between climate-related risks and other organisational vulnerabilities. The CFO is ultimately responsible for the evaluating and monitoring the risk register.

In managing climate-related risks, we leverage the same risk management mechanisms and decision-making processes used for other types of risks. This integration fosters efficiency and consistency in our risk responses. By embedding climate-related risk management into our overall strategy, we can proactively address challenges and capitalise on opportunities, aligning our business objectives with sustainable and resilient practices.

METRICS AND TARGETS

The Group continues to develop it's climate-related reporting procedures and disclosures in support of it's Net Zero commitment. In pursuit of this goal, we have engaged external consultants to assist with our comprehensive Net Zero strategy.

Our aim is to incorporate environmental sustainability into every aspect of our operations, spanning the food we serve, the services we provide, and the daily management of our activities with interim targets spanning every five years starting from 2025.

We have committed to carbon neutrality in our Group operations by 2030 (Scope 1 and 2). This will be achieved by offsetting residual Scope 1 and 2 emissions via high-quality verified offsets (projects must be verified by either Verra or Gold Standard) to become carbon neutral.

Baseline emissions are a record of the greenhouse gases that have been produced in the past and were produced prior to the introduction of any strategies to reduce emissions. Baseline emissions are the reference point against which emissions reduction can be measured. The Group has chosen January 2022 – December 2022 (financial year 2022) as our baseline year, and can now report and compare on a yearly basis.

During the year the Group continued to monitor progress against its climate-related targets, including its commitment to carbon neutrality in Scope 1 and Scope 2 operations by 2030 and Net Zero emissions by 2045.

During the year the Group monitored developments relating to the UK Sustainability Reporting Standards ("UK SRS"). While these standards are not currently mandatory for the Group, management continues to monitor emerging reporting requirements and will consider future enhancements to disclosures where appropriate.

The Board reviews the Group's climate-related targets and disclosures annually and considers whether any changes are required to reflect evolving business activities, regulatory expectations and available data.

CFD cross-industry metric category	Unit of measure	Metric	Metric target set and reported?	Linked to identified climate risks and opportunities
GHG emissions	tCO2e/ £m	Scope 1 and Scope 2 total tCO2e/ £m revenue	Carbon-neutral by 2030: offsetting any residual Scope 1 and 2 emissions	Carbon pricing and cost of transitioning operations to Net Zero
Transition risks	%	% of total UK directly purchased electricity from renewable sources	100% of total UK directly purchased electricity from renewable sources by end of FY2025	Increased material and energy costs
Transition risks	%	% of total gas directly purchased in the UK from renewable sources	100% renewable gas purchased in UK by end of FY2025	Increased material and energy costs
Physical risks	% of annual revenue	% of UK revenue located in an area subject to high risk of flooding	Periodic monitoring to feed into risk assessment process	Extreme weather conditions

ENERGY AND CARBON REPORT

The following information summarises the Group's energy and carbon emissions as required by The Companies (Directors' Report) and Limited Liability Partnerships (Energy and Carbon Report) Regulations 2018.

The Group's carbon emissions, using a location-based approach to calculating emissions, were 1,465.023 tCO_2e for 2025, a reduction of 2% compared with 2024.

These emissions include those associated with electricity consumption, natural gas combustion and refrigerant leaks across the estate. The Group's carbon intensity of 19.80 tCO_2e per £m turnover was 10% lower than 2024, and the intensity of 1 tCO_2e per employee was unchanged.

The increase in Scope 1 emissions was primarily driven by higher natural gas consumption across the estate. Despite an increase in total electricity consumption, location-based Scope 2 emissions decreased, reflecting a reduction in UK grid emissions factors. Market-based emissions increased, reflecting the carbon intensity of contracted electricity supply during the reporting period.

GREENHOUSE GAS EMISSIONS BY YEAR (TCO_2E)

Activity Category	2025 tCO_2e	2024 tCO_2e	% Change	Actual Change (tCO_2e)
Scope 1: Direct emissions from the operation of owned and controlled facilities and equipment				
Stationary combustion	55.0	31.2	76%	23.8
Fugitive emissions	22.6	22.6	0%	0.000
Scope 1 Total (tCO_2e)	77.6	53.8	44%	23.8
Scope 2: Indirect emissions from the production of purchased energy				
Scope 2 Location-Based Total (tCO_2e)	1,387.4	1,445.8	-4%	-58.4
Scope 2 Market-Based Total (tCO_2e)	3,217.9	2,908.8	11%	309.1
Total Gross Emissions – Location-Based (tCO_2e)	1,465.1	1,499.7	-2%	-34.6
Total Net Emissions – Market-Based (tCO_2e)	3,295.5	2,962.6	11%	332.9
Turnover (£m)	74.0	68.0	9%	6.0
Intensity Ratio tCO_2e per £m – Location-Based	19.7	22.0	-10%	-2.3
Intensity Ratio tCO_2e per £m – Market-Based	44.6	43.6	2%	1.0
Number of Employees	1,095	1,188	-8%	-93
Intensity Ratio tCO_2e per employee – Location-Based	1	1	0%	0
Intensity Ratio tCO_2e per employee – Market-Based	3	2	50%	1

ENERGY CONSUMPTION BY YEAR (KWH)

Annual quantity of energy consumed by the Group in the UK resulting from the purchase of electricity and combustion of gas.

Activity Category	2025	2024	% Change	Actual Change
Scope 1: Direct emissions from the operation of owned and controlled facilities and equipment				
Scope 1 Total kWh (Stationary combustion)	300,606	170,749	76%	129,857
Scope 2: Indirect emissions from the production of purchased energy				
Scope 2 Total kWh	8,604,855	6,982,951	23%	1,621,904
Total kWh	8,905,461	7,153,700	24%	1,751,761
Turnover (£m)	67.6	67.6	-	-
Intensity Ratio kWh per £m	133,917	105,201	27%	28,716
Number of Employees	1,095	1,188	-8%	-93
Intensity Ratio kWh per employee	8,133	6,022	47%	2,822

METHODOLOGY

Carbon emissions have been calculated in accordance with the UK Government's Environmental Reporting Guidelines (2019) and the GHG Protocol Corporate Accounting and Reporting Standard (revised edition). Emission factors have been sourced from the UK Government's GHG Conversion Factors for Company Reporting, published by DESNZ.

An 'operational control' boundary has been applied: the Group reports emissions from all operations over which it has the authority to introduce and implement operating policies, regardless of ownership.

Due to limited data availability, refrigerant (R410A) emissions for 2025 have been estimated using 2024 data. The Group is implementing improved data capture processes to ensure actual data is used in future reporting periods.

ENERGY EFFICIENCY INITIATIVES

During the reporting period, the Group took initial steps to improve energy management practices across its estate, including the implementation of smart plugs and socket-level controls at selected sites.

CORPORATE GOVERNANCE

BOARD OF DIRECTORS

COMMITTEE KEY:

A Audit Committee N Nomination Committee R Remuneration Committee Committee Chair

A N R

DUNCAN GARROOD

CHAIR

Duncan brings extensive hospitality and public markets experience to the Board. He has held CEO roles at Punch Taverns, Ten Entertainment Group, Empiric and Bill's Restaurants and has broad PLC experience through his involvement with Empiric, Ten Entertainment Group and Brighton Pier Group.

Duncan has significant franchise experience, having served as Food Director at Alshaya, Non-Executive Director at Eathos and Commercial Director at BAA.

A N R

MARTA POGROSZEWSKA

NON-EXECUTIVE DIRECTOR

Marta brings deep operational expertise in multi-site hospitality. She was Managing Director and COO of Bread Holdings, owner of Gail's Bakery, where she oversaw the scaling of the estate to more than 180 sites.

Prior to Bread Holdings, Marta held senior Operations roles at Pret A Manger, including Operations Director for the USA. She was recognised as Propel Industry Leader of the Year in 2024.

A N R

GREGOR GRANT

SENIOR INDEPENDENT DIRECTOR & AUDIT COMMITTEE CHAIR

Gregor is a Qualified Chartered Accountant, having trained at Deloitte & Touche, and brings substantial listed company finance experience to the Board. He served as CFO of Loungers plc from 2018 to 2024, overseeing growth from 128 to over 250 sites and its 2019 IPO.

Gregor has broader CFO experience across the hospitality sector, including at Fuddruckers Inc (USA), Eldridge Pope and Morrells of Oxford.

BRANDON STEPHENS

FOUNDER, GROUP CHIEF EXECUTIVE OFFICER

Brandon launched Tortilla in 2007 and served as CEO until 2014, before returning in February 2026 to the business as Group Chief Executive Officer. He brings a long-term, founder's perspective and a focus on strategy, brand, food, technology and investor relations.

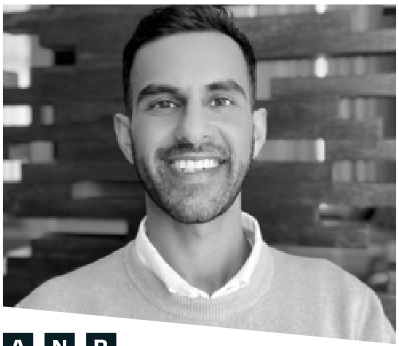
Brandon has also been Founder and CEO of REVL and has served as an Operating Partner at TriSpan, advising its Rising Stars restaurant private equity fund. He is a serial hospitality Non-Executive Director and holds an Electrical Engineering degree from Princeton and an MBA from London Business School.

RICHARD HALEY

GROUP CHIEF FINANCIAL OFFICER

Richard brings extensive finance leadership experience in international multi-site hospitality, retail and consumer businesses. He has served as CFO of both Nightcap plc and Future plc, and held senior finance roles at Trainline plc, William Hill plc and Tesco plc.

Richard is a Qualified Chartered Accountant.



A N R

USMAN ALI

NON-EXECUTIVE DIRECTOR

Usman represents the interests of Auctor Group, Tortilla's largest shareholder.

Usman is Managing Partner at Auctor, a holding company that builds and supports companies at the forefront of emerging technology. Auctor owns and operates strategic assets where there are long-term opportunities to disrupt and transform legacy industries by leveraging technologies such as robotics and artificial intelligence.

Prior to joining Auctor, Usman was a Partner at emerging markets investment firm Mobius Capital Partners and an Investment Analyst at New York based equity fund Caravel Management.

APPLICATION OF THE CODE PRINCIPLES

As Chair of the Board, I have the pleasure in presenting the corporate governance report for the year ended 28 December 2025.

The Board is committed to ensuring high standards of corporate governance, and follows the Quoted Companies Alliance Corporate Governance Code (the "QCA Code").

During the financial year ended 28 December 2025, the Company has applied and complied with the 2023 version of the QCA Code as detailed below:

PRINCIPLE 1

ESTABLISH A STRATEGY AND BUSINESS MODEL WHICH PROMOTE LONG-TERM VALUE FOR SHAREHOLDERS

The Board is responsible for implementing the strategy and managing the business of the Group, and time is allocated to discuss strategic matters at each Board meeting. The Board holds a dedicated strategy session each year.

PRINCIPLE 2

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 receive training and information on the values and culture of the Group, as well as receiving 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 Engage platform, in addition to which the CEO releases periodic all-employee updates.

PRINCIPLE 3

SEEK TO UNDERSTAND AND MEET SHAREHOLDER NEEDS AND EXPECTATIONS

The Board understands the fundamental importance of ensuring and maintaining an appropriate level of dialogue with shareholders. The Chief Executive Officer ("CEO") and the Chief Financial Officer ("CFO") are responsible for investor relations, with the Board ultimately being responsible for and ensuring a satisfactory dialogue with Shareholders. The Group's financial PR agency leads the preparation, coordination and communication of all dealings with the financial community and is the primary point of contact for shareholders and third parties.

PRINCIPLE 4

TAKE INTO ACCOUNT WIDER STAKEHOLDER INTERESTS, INCLUDING SOCIAL AND ENVIRONMENTAL RESPONSIBILITIES, AND THEIR IMPLICATIONS FOR LONG-TERM SUCCESS

The Group considers the key stakeholders to be its employees, customers, suppliers, community, and regulators.

The Board understands that the Group's long-term success relies heavily upon strong relations with each of their stakeholders and that they must ensure that the needs of each are understood and met.

The Board is committed to ensuring a continuous and open dialogue with its stakeholders, both internal and external. It is understood that stakeholder feedback must be integrated into both the Board's decisions and the Group's strategy and business model as is ultimately integral to the Group's success. Further details can be found in the Section 172 Statement on pages 24 to 27.

PRINCIPLE 5

EMBED EFFECTIVE RISK MANAGEMENT, INTERNAL CONTROLS AND ASSURANCE ACTIVITIES, CONSIDERING BOTH OPPORTUNITIES AND THREATS, THROUGHOUT THE ORGANISATION

The Board ensures 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 is reviewed by the Board on an annual basis.

The Board and Audit Committee regularly review the risk register, and in particular the principal risks facing the business, and challenge management to ensure that appropriate mitigations are in place to manage risks within the Board's agreed appetite. During 2025, the Audit Committee has continued to oversee improvements in the documentation of the Group's internal control framework. In light of the accounting issues identified within the French subsidiaries, the Committee's activity in 2026 will focus on ensuring that management addresses these issues with appropriate additional financial controls and processes, as well as continuing with its work to formalise controls testing and review processes to support ongoing assurance over the effectiveness of risk management and internal control systems.

Further details can be found in the Matters Reserved for the Board and the Audit Committee Terms of Reference.

Details of the key risks faced by the business and how we mitigate them are detailed on pages 28 to 30.

PRINCIPLE 6

MAINTAIN THE BOARD AS A WELL-FUNCTIONING, BALANCED TEAM LED BY THE CHAIR

The Nomination Committee is responsible for overseeing the structure, composition and make-up of the Board and leads the search and selection process for new Board appointments, including reviewing succession plans, evaluating the balance of skills, diversity, experience, independence and knowledge of Directors.

When dealing with changes at Board level, as it has done during 2025 and following the year-end, the Nomination Committee focussed on ensuring appointments are made on merit (securing the best candidates for the role), maintaining an appropriate balance of skills and experience aligned to the Company's strategic goals, and that candidates are aligned to the Company's culture and can therefore contribute effectively to the Board.

More information on how the Board works is set out in the following report. The Nomination Committee report is set out on pages 65 to 66.

PRINCIPLE 7

MAINTAIN APPROPRIATE GOVERNANCE STRUCTURES AND ENSURE THAT INDIVIDUALLY AND COLLECTIVELY THE DIRECTORS HAVE THE NECESSARY UP-TO-DATE EXPERIENCE, SKILLS AND CAPABILITIES

The Chair has the ultimate responsibility for corporate governance, and ensures 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.

The Board has established clear governance structures for the Group, supported by:

- A detailed schedule of matters reserved to the Board;
- A Board approved written division of responsibilities between the Chair and the CEO;
- Clear delegation of responsibilities to the Audit, Remuneration and Nomination Committees (whose key responsibilities and work during 2025 are described in their respective reports); and
- Detailed and agreed schedules of activity for the Board and its Committees during the year.

Further information on how the Board works in line with its established governance structure and processes is set out in the following report.

PRINCIPLE 8

EVALUATE BOARD PERFORMANCE BASED ON CLEAR AND RELEVANT OBJECTIVES, SEEKING CONTINUOUS IMPROVEMENT

The Chair monitors the Board's performance and effectiveness on an ongoing basis through informal discussions with the Executive and Non-Executive Directors. All Board members also provide feedback to ensure meetings and supporting papers continue to evolve to support effective debate and decision-making.

We reported last year that following a period of change, the Board agreed that there would be more value in conducting a formal evaluation process once those changes were more embedded. Given recent further and substantial changes to the Board composition since the year-end, we remain of the view that there would be little value in conducting a formal evaluation process at this stage. It is our anticipation that an internally facilitated Board evaluation process will be conducted in late 2026.

PRINCIPLE 9

ESTABLISH A REMUNERATION POLICY WHICH IS SUPPORTIVE OF LONG-TERM VALUE CREATION AND THE COMPANY'S PURPOSE, STRATEGY AND CULTURE

Details of the Company's remuneration policy and how it was implemented during 2025 are set out in the Directors' Remuneration Report on pages 59 to 64.

PRINCIPLE 10

COMMUNICATE HOW THE COMPANY IS GOVERNED AND IS PERFORMING BY MAINTAINING A DIALOGUE WITH SHAREHOLDERS AND OTHER RELEVANT STAKEHOLDERS

The Group communicates with its shareholders through:

- the Annual Report and Accounts;
- half-year report announcements;
- RIS announcements;
- AGM;
- one-to-one meetings with large existing or potential new shareholders;
- its investor relations programme; and
- the Company's website (www.tortillagroup.co.uk)

COMPOSITION AND INDEPENDENCE OF THE BOARD

The Board currently consists of six Directors: the Non-Executive Chair, two Executive Directors and three Non-Executive Directors ("NEDs"). Three of the Directors (half of the Board) - Duncan Garrood, Gregor Grant, and Marta Pogroszewska - are deemed by the Board to be independent in character and free from relationships or circumstances which could affect their judgement. At least half of the Board was independent throughout 2025.

Details of each Director's experience and background are given in their biographies on pages 48 to 49. Their skills and experience are relevant and cover areas in the leisure, hospitality and casual dining industries including business development and strategic growth, financial management and control, corporate governance, corporate culture and technology.

The Board considers all Directors to be effective and committed to their roles.

APPOINTMENTS TO THE BOARD AND RE-ELECTION

The Board has delegated to the Nomination Committee the tasks of reviewing the Board's structure, size and composition, preparing a description of the role and capabilities required by a particular appointment and identifying and nominating, for the approval of the Board, candidates to fill board vacancies as and when they arise. Further details on the role of the Nomination Committee are available in its Terms of Reference which can be found on the Group's website: https://tortillagroup.co.uk/corporate-governance.

All Directors offer themselves for annual re-election, in accordance with best practice in corporate governance.

HOW THE BOARD WORKS

The Board's full responsibilities are set out in a formal schedule of matters reserved for its decision. It has overall responsibility for the Company's purpose, strategy, business model, performance, capital structure, approval of key contracts and major capital investment plans, the framework for risk management and internal controls, governance matters and engagement with shareholders and other key stakeholders.

The Board remains committed to understanding the needs of our shareholders and the wider stakeholders and it always considers how the Board's decisions impact them in the longer term. In the Section 172 statement on pages 24 to 27 we explain who the key stakeholders are and how the Directors engage with them.

BOARD MEETINGS

The Board has an agreed annual schedule of activity for its meetings, and the meetings of its Committees. Additional meetings may be convened outside that schedule to deal with ad-hoc matters as they arise. Directors also have contact on a variety of issues between formal meetings.

An agenda and accompanying detailed papers, covering key business and governance issues are circulated to the Board in advance of each Board meeting.

The Board normally meets at least six times per year and met on nine scheduled occasions during 2025. Additional, ad-hoc meetings may also be convened at short notice to discuss specific matters, but there were no such meetings during 2025. Attendance at the scheduled Board and Committees for 2025 is set out in the table below:

Director	Board Meetings	Audit Committee Meetings	Nomination Committee Meetings	Remuneration Committee Meetings
Duncan Garrood[1]	-	-	-	-
Andy Naylor	9/9	-	-	-
Richard Haley[2]	2/2	-	-	-
Brandon Stephens	9/9	-	2/2	-
Usman Ali[3]	8/8	6/6	2/2	3/3
Keith Down	9/9	6/6	2/2	3/3
Francesca Tiritiello	9/9	6/6	2/2	3/3
Past Directors:				
Emma Woods[4]	9/9	6/6	2/2	3/3
Loeïz Lagadec[5]	1/1	-	-	-
Maria Denny[6]	5/6	-	-	-

[1] Appointed 5 December 2025

[2] Appointed 9 October 2025

[3] Appointed 26 February 2025

[4] Stepped down 5 December 2025

[5] Stepped down 31 January 2025

[6] Stepped down 30 September 2025

DIVISION OF RESPONSIBILITIES

The Chair and Chief Executive have separate, clearly defined roles with the division of their responsibilities set out in writing and agreed by the Board. The roles and responsibilities of the Chair and Chief Executive Officer are set out below:

Duncan Garrood, 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 Chair has the ultimate responsibility for corporate governance and ensures that the Board retains accountability for good governance and is responsible for monitoring the activities of the Senior Management team.

The Group CEO, Brandon Stephens, 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.

NON-EXECUTIVE DIRECTORS

Each of the Non-Executive Directors has entered into a letter of appointment with the Company which set out the duties of the Director and commitment expected. They are expected to commit at least 2 days per month to their role and are specifically tasked with:

- bringing independent judgement to bear on issues put to the Board;
- applying their knowledge and experience in considering matters such as strategy, company performance, use of resources and standards of conduct; and
- ensuring high standards of financial probity and corporate governance.

HOW THE BOARD OPERATES

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. The matters reserved include decisions relating to:

- setting the Group's values and standards, including policies on employment, health and safety, environment and ethics, and ensuring workforce policies are consistent with the Group's values and supports long-term success of the Group;
- 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 Board has delegated other matters, responsibilities and authorities to its Board Committees, details of which are set out in each of the Committees' terms of reference. Anything falling outside of the schedule of matters reserved or the Committees Terms of Reference falls within the responsibility and authority of the Chief Executive, including all executive management matters.

At each meeting, the Board reviews the Group's performance against strategic objectives and plans, comprehensive financial and trading information produced by the management team covering both the UK and French businesses, and considers the trends in the Company's performance. It also regularly reviews the work of its formally constituted standing Committees and compliance with the Group's policies and obligations.

All Directors are expected to attend all meetings of the Board and any Committees of which they are members, and to devote sufficient time to the Company's affairs to fulfil their duties as Directors. Where Directors are unable to attend a meeting, they are encouraged to submit any comments on paper to be considered at the meeting to the Chair in advance to ensure that their views are recorded and taken into account during the meeting.

Directors are encouraged to question and voice any concerns they may have on any topic put to the Board for debate.

THE MAIN ACTIVITIES OF THE BOARD DURING THE YEAR

There are a number of standing and routine items included for review on each Board agenda. These include operational reports, financial reports, governance and investor relations updates. In addition, key areas put to the Board for consideration and review included:

- approval of annual and half-year report and financial statements;
- review and approval of budget;
- review and implementation of strategy;
- product development and marketing strategy;
- updated brand and brand strategy;
- updates on the integration and performance of the business in France, including store conversion timetable and progress;
- approval of the terms of the new enlarged funding facility with Santander.

BOARD COMMITTEES

The Board is supported by three committees, each established in accordance with the recommendations of the QCA Code: the Audit Committee, the Nomination Committee, and the Remuneration Committee. Throughout 2025, the committees were chaired by Keith Down (Audit), Emma Woods (Nomination) and Francesca Tiritiello (Remuneration). The committee chairs at the date of this report are Gregor Grant (Audit), Duncan Garrood (Nomination) and Marta Pogroszewska (Remuneration). The Board has determined that each Committee's members have the appropriate skills to discharge their duties.

EXTERNAL ADVISORS

The Board receives annual briefings and updates from the Group's Nominated Advisor, Panmure Liberum, in respect of continued compliance with the AIM Rules. The Board seeks advice on various other matters from its Nominated Advisor and other advisors as appropriate.

DEVELOPMENT, INFORMATION AND SUPPORT

Directors keep their skillset up to date with a combination of attendance at industry events, individual reading, and experience gained from other Board roles. Directors also have direct access to the advice and services of the Company Secretary. The Company Secretary supports the Chair in ensuring that the Board receives the information and support it needs to carry out its roles. Directors are able to take independent professional advice in the furtherance of their duties, if necessary, at the Company's expense.

CONFLICTS OF INTEREST

Under the Company's Articles, the Directors may authorise any actual or potential conflict of interest a Director may have and may impose any conditions on the Director that are felt to be appropriate. Directors are not able to vote in respect of any contract, arrangement or transaction in which they have a material interest and they are not counted in the quorum. A process is in place to identify any of the Directors' potential or actual conflicts of interest, and Directors are required to declare any interests in the matters to be discussed at the start of each Board meeting.

ACCOUNTABILITY

The Company has in place a system of internal financial controls commensurate with its current size and activities, which is designed to ensure that the possibility of misstatement or loss is kept to a minimum. These procedures include the preparation of management accounts, forecast variance analysis and other ad-hoc reports. There are clearly defined authority limits throughout the Group, including matters reserved specifically for the Board.

The system and assessment of internal controls is reviewed by the Audit Committee each year as described in more detail in its report on pages 55 to 58.

FINANCIAL AND BUSINESS REPORTING

The Board seeks to present a fair, balanced and understandable assessment of the Group's position and prospects in all half-year, final and any other ad-hoc reports, and other information as may be required from time to time. The Board receives a number of reports, including those from the Audit Committee, to enable it to monitor and clearly understand the Group's financial position.

ANNUAL GENERAL MEETING (AGM)

This year's AGM will be held on 25 August 2026. The Notice of Annual General Meeting will be circulated separately to shareholders and will be available on the Company's website at www.tortillagroup.co.uk/circulars-and-documents. Separate resolutions are provided on each issue so that they can be given proper consideration and all shareholders are encouraged to submit their votes.

DR DUNCAN GARROOD
NON-EXECUTIVE CHAIR
26 JULY 2026

AUDIT COMMITTEE REPORT

On behalf of the Board, I am pleased to present the Audit Committee report for the period ended 28 December 2025.

MEMBERSHIP, ROLE AND RESPONSIBILITIES

Membership of the Committee during 2025, and currently, is set out below. Keith Down Chaired the Committee throughout 2025, and I assumed the Chair on my appointment to the Board on 9 March 2026.

Membership during 2025	Membership as at July 2026
Keith Down (Chair)	Gregor Grant (Chair) from 9 March 2026
Usman Ali, from 26 February 2025	Usman Ali
Francesca Tiritiello	Duncan Garrood
Emma Woods, to 5 December 2025	Marta Pogroszewska, from 5 February 2026
Duncan Garrood, from 5 December 2025	

Although Usman Ali, as Auctor Group's appointed representative director, is not considered to be independent, all other members of the Committee are independent and the Board is therefore satisfied that the overall composition of the Committee is sufficiently independent to effectively discharge its duties.

The role and responsibilities of the Audit Committee are set out in its formal Terms of Reference which have been approved by the Board and are reviewed annually by the Committee. The Committee's key role is in monitoring the integrity of annual and interim financial statements as well as ensuring that appropriate consideration is given to key accounting judgements and estimates. We are also responsible for monitoring the effectiveness of the Group's internal controls and risk management systems, reviewing reports from the Group's auditors relating to the Group's accounting, and overseeing the relationship with the external auditor (including advising on its appointment and agreeing the scope of the audit and the external audit fee). In all cases the Committee ensures it gives due regard to the interests of shareholders.

The Committee has been focused on the accounting issues within the French business since these issues were brought to the attention of the Board in May 2026. More details of the issues identified are set out in the CFO Report on pages 17 to 23. Areas of particular concern to the Committee have been:

- to ensure that the accounting issues are fully understood and that appropriate adjustments are correctly reflected in the Report and Accounts
- understanding the timeframe during which these issues arose and the extent to which they may have existed at the time of approving the Report and Accounts for the year ended 29 December 2024
- understanding the reasons behind the failure to identify these accounting issues more promptly, and ensuring that the appropriate financial controls, disciplined reporting processes and skilled resources, are in place to avoid any recurrence of these issues

ACTIVITY DURING THE YEAR

The Committee usually meets at least three times per year, and met on six occasions during 2025, with all meetings attended by all members of the Committee at the time. The additional meetings in 2025 resulted from the annual report timetable being extended to allow additional time to support the integration and audit of financial information from the French business and appropriate oversight by the Committee.

Committee meetings were also attended by the external audit partner and other members of the external audit team. Although not members of the Audit Committee, our CEO and CFO are also routinely invited to attend meetings, with other members of the Company's finance team invited to present on matters specific to their role.

Key activity at meetings of the Committee included:

- reviewing and challenging the key accounting judgements and estimates in relation to the Group's full-year and half-year financial statements, including in relation to impairment testing (and goodwill valuation), the allocation of acquisition goodwill in relation to our French assets and share based payments;
- reviewing the Group's draft financial statements and reviewing the external auditor's detailed reports thereon, including discussion of key audit matters and risks; and
- approving the external auditor's plan for the audit of the Group's annual financial statements, including key audit matters, key risks, confirmation of auditor independence and terms of engagement, including audit fees;
- meeting the external auditor, without management, to discuss matters relating to its remit and any issues arising from its work;
- reviewing the Group's internal control framework, including monitoring progress with the standardisation of the controls framework across the international group; and
- reviewing the Group's risk register and risk management process.

SIGNIFICANT ISSUES CONSIDERED IN RELATION TO THE FINANCIAL STATEMENTS

The Committee reviewed the financial statements, with particular attention to accounting policies and areas of judgement. The key matters considered by the Committee in respect of the period ended 28 December 2025 were:

Significant issues and judgements	How the issues were addressed
Valuation of the Group's non-current assets (including property, plant and equipment and right of use assets	The Committee reviewed management's impairment assessments across both the UK and France, including both the indicators of impairment identified during the year and the proposed level of impairment at year-end. This included consideration of individual site performance, particularly underperforming or loss-making locations, and the treatment of assets where exit or restructuring actions were planned. The Committee challenged the assumptions underpinning forecast cash flows, including trading projections and cost assumptions, discount rates and sensitivity analysis, and consistency with strategic plans. The Committee noted that an independent consultancy was engaged to perform calculations of the Group's weighted average cost of capital ("WACC"), removing any judgement made by management. The external auditor's approach and conclusions were also considered. The decision was taken to impair 14 UK sites and 10 France sites and to release provisions made in prior years against two UK sites, resulting in an overall net impairment charge of £7.0m. Overall, the Committee was satisfied that the methodology and assumptions applied were reasonable and consistent with the requirements of IAS 36.

Valuation and impairment of goodwill	The Committee reviewed the allocation of goodwill arising from recent acquisitions, including the Fresh Burritos transaction, and the ongoing assessment of goodwill recoverability. The Committee considered the carrying value of goodwill arising from the Fresh Burritos acquisitions, including the allocation of goodwill to groups of cash-generating units and the assessment of its recoverability. The Committee reviewed management's assumptions regarding future performance, including the expected benefits from conversion of French sites and franchise growth. Sensitivity analyses were reviewed to assess the impact of changes in key assumptions. The Committee agreed with the full impairment of the goodwill allocated to France amounting to a charge of £2.9m. The Committee also considered the external auditor's findings and was satisfied that the carrying value of goodwill was appropriate and that disclosures were adequate.
Going concern	The Committee considered in detail the Group's going concern assessment, including assessing the assumptions behind the base case, downside case, and severe but plausible downside case. Particular focus was given to trading performance relative to budget, headroom under the Group's financing facilities and the availability of mitigating actions in the downside and severe but plausible downside scenarios. The Committee concluded that it was appropriate to adopt the going concern basis in preparing the financial statements.
French accounting issues	The Committee considered the report on the accounting adjustments identified in the French business during the FY25 audit process. The principal issue related to operating costs incorrectly recorded on the balance sheet rather than recognised in the income statement. The Committee reviewed management's assessment of the nature and quantum of the errors and considered the time frame over which the issues had arisen. The Committee also reviewed management's IAS 8 assessment and conclusion that the correction was appropriately reflected in FY25 and did not require restatement of prior-period financial statements. The Committee challenged the root causes identified and endorsed a structured programme to improve financial control, reporting discipline and accountability across the Group.
Presentation of pre-opening costs exceptional items and adjusted EBITDA as an alternative Performance Measure (APM)	The Committee reviewed the nature of costs classified as pre-opening or exceptional in FY25, noting that these costs are excluded from the Group's key Alternative Performance Measure, Adjusted EBITDA. The Committee considered whether the items proposed for separate presentation were genuinely non-recurring and not reflective of the Group's underlying trading performance. The review included challenge over the definition of exceptional costs and the use of "non-GAAP" measures. The Committee concluded that the presentation of the APMs was consistent with prior years, has clear labelling and transparent reconciliations and appropriate explanations.

EXTERNAL AUDITORS

The Audit Committee oversees the relationship with the external auditor (HaysMac LLP) to ensure that auditor independence and objectivity are maintained. This includes monitoring the tenure of the external auditor and audit partner, the nature and extent of any non-audit services that the external auditor is engaged to provide, and reviewing HaysMac's own independence confirmations. During 2025, this oversight was conducted as follows:

Audit Process

The Committee received a detailed plan from HaysMac LLP for the 2025 audit, identifying the auditor's assessment of the key audit matters and their intended areas of focus. The audit plan also set out the scope of the audit and audit timetable, and identified the approach to calculating materiality thresholds. The plan was presented at the Committee's meeting in November 2025, with a key focus on ensuring alignment on the timetable and deliverable to support an efficient and effective audit process.

Non-Audit services

As part of its monitoring, the Committee keeps the nature and extent of non-audit services (and non-audit fees set out in Note 5 to the financial statements) provided by HaysMac under review. Non-audit services are principally in connection with loan covenant reporting and turnover certificates. The fees associated with these non-audit services are not material, and HaysMac and the Committee continues to be satisfied that appropriate safeguards are in place such that the provision of such services does not impact on HaysMac's independence.

Audit effectiveness and Auditor reappointment

The Committee reviews the effectiveness of the external process on an ongoing basis, taking into account the views of the CFO, finance team and the external auditor, as well as assessing the Committee's own interactions with the external auditor. The Committee is satisfied with HaysMac's performance and has recommended to the Board that a resolution to reappoint HaysMac as the Group's auditor is proposed at the forthcoming AGM.

RISK MANAGEMENT AND INTERNAL CONTROL

The Board has overall responsibility for maintaining sound internal control and risk management systems and has delegated responsibility to monitor their effectiveness to the Committee.

The system of internal control comprises high level Groupwide controls, controls operating within individual stores and controls over processes. Policies, procedures and clearly defined levels of delegated authority have been communicated across the Group, and management has identified the key operational and financial processes which exist within the business and implemented internal controls over these processes in addition to the higher-level review and authorisation-based controls. These policies are designed to ensure the accuracy and reliability of financial reporting and govern the preparation of financial statements.

During the year, the Committee has continued to oversee the development and iteration of the internal controls matrix, including the documentation of controls in the French business and the alignment of the controls framework across the Group (to support consistent monitoring, review and reporting). In light of the accounting issues identified within the French subsidiaries it is clear that further significant work is required to ensure that controls in France are strengthened and brought into line with controls in the UK business. The Board has moved quickly to strengthen oversight and implement a structured programme to improve financial control, reporting discipline and accountability across the Group.

The Committee is satisfied that the system of controls operating within the UK business is appropriate and sufficient for a Group of Tortilla's size and complexity. The Committee has challenged management to address the issues identified within the French subsidiaries and to continue with its work to formalise controls testing and review processes to support the Committee's ongoing oversight of their effectiveness.

INTERNAL AUDIT

The Group does not currently have an internal audit function, but this is kept under regular review by the Committee. The Committee continues to support management's view that there is no need, at present, to establish an internal audit function given the operational scale of the business as well as the fact that no cash payments are made in its UK restaurants. The Committee gains assurance over the effectiveness of the internal control framework through regular reporting by the finance team (including reviewing the risk register and internal control matrix). The Committee will continue to keep under review the need for an internal audit function on an annual basis.

WHISTLEBLOWING

The Group has in place a whistleblowing policy which sets out the formal process by which an employee of the Group may, in confidence, raise concerns about possible improprieties in financial reporting or other matters. The policy is reviewed annually by the Committee, and in 2025 the review included (at the request of the Committee) details of the proposed communications plan to ensure that all team members are aware of the policy and how to raise any concerns. A single whistleblowing incident was raised under the policy during 2025, and the Committee remains comfortable that the whistleblowing policy and procedures are appropriate.

GREGOR GRANT
COMMITTEE CHAIR
26 JULY 2026

REMUNERATION COMMITTEE REPORT

As Chair of the Remuneration Committee ("the Committee") I am pleased to present the report of the Committee for the period ended 28 December 2025. The report sets out the remuneration for Directors in respect of 2025 and how remuneration will operate in 2026.

MEMBERSHIP, ROLE AND RESPONSIBILITIES

Membership of the Committee during 2025, and currently, is set out below. Francesca Tiritiello Chaired the Committee throughout 2025, and I assumed the Chair on my appointment to the Board on 5 February 2026.

Membership during 2025	Membership as at July 2026
Francesca Tiritiello (Chair)	Marta Pogroszewska (Chair), from 5 February 2026
Usman Ali, from 26 February 2025	Usman Ali
Keith Down	Duncan Garrood
Emma Woods, to 5 December 2025	Gregor Grant, from 9 March 2026
Duncan Garrood, from 5 December 2025	

As the nominated representative of Auctor Group, a significant shareholder in the Company, Usman Ali is not considered to be independent by the Board. All other members of the Committee are considered to be independent by the Board within the meaning of the QCA Code, and the Committee therefore comprises a majority of independent directors.

The Committee operates under Terms of Reference approved by the Board, which are available for inspection on the Company's website at https://tortillagroup.co.uk/. The terms of reference are subject to an annual review by the Committee.

The Committee is responsible for reviewing the performance of the Executive Directors and other designated senior executives and, within the terms of the agreed remuneration policy, determining their remuneration packages, including where appropriate, bonuses, incentive payments and the grant of share options or other share awards.

The Terms of Reference of the Committee requires that it meets at least twice a year.

ACTIVITY DURING THE YEAR

The Committee met on three occasions during 2025. All Committee members were present at each meeting. During the period, the Committee discussed and agreed:

- the structure of performance targets and measures for the 2025 bonus targets, and monitored anticipated outturns for the financial period ended 28 December 2025 (see below for more details);
- the Group wide pay review, including a 2.5% average base salary increase for head office staff, and specific salary increases for staff earning £80k or more and/or direct reports of the Executive Directors (in line with the Committee's terms of reference). The Committee also agreed to increase the salary threshold above which future increases would require its approval to £90k per annum.
- awards made in 2025 under the Tortilla Mexican Grill plc Long Term Incentive Plan 2021 ("LTIP") to the Executive Directors and key members of the senior management team, and associated performance targets (see below for more details); and
- the remuneration package and structure for the incoming CFO.

In June 2025, the Committee approved a grant of awards of nil-cost options under the LTIP to the then CEO (Andy Naylor) with a value of 100% of his base salary, in line with the Group's remuneration policy. Maria Denny, who was CFO at the time the awards were granted, had indicated her intention to step down from the Board prior to the LTIP award being made and therefore no award was made to her.

Andy Naylor's 2025 LTIP award was due to vest after three years subject to continued employment and the satisfaction of stretching strategic performance measures as set out below. However, as Andy stepped down from the Board in February 2026, in line with the default treatment under the LTIP rules the award lapsed in full (more information on the treatment of Andy's other outstanding awards is set out in the following report).

Following the appointment of a new Executive team, it remains our intention that performance-related awards will be granted on an annual basis to the Executive Directors and key members of the senior management team to support the Company's strategy plans and to enable us to recruit, motivate and retain key talent in a competitive market.

REMUNERATION POLICY

The objective of the Group's remuneration policy is to attract, motivate and retain high quality individuals who will contribute to the success of the Group. In order to achieve this, the Group provides competitive salaries and benefits, and Executive Directors' remuneration is balanced between both fixed and performance-related elements. It is the Remuneration Committee's intention that remuneration should reward achievement of objectives aligned with shareholders' interests over the medium to long term. The table below summarises the key elements of the remuneration policy for Executive Directors:

Element	Link to remuneration policy/strategy	Operation	Maximum opportunity	Performance metric
Base salary	To help recruit and retain high performing Executive Directors. Reflects the individual's experience, role and importance to the business.	Basic salary is reviewed annually at the start of the financial period with reference to each Executive Director's performance and contribution during the year, Group performance, the scope of the Executive Directors' responsibilities and consideration of competitive pressures.	There is no prescribed maximum annual base salary or salary increase. The Committee is guided by the general increase for the broader employee population, but has discretion to award a lower or a higher increase.	The Committee considers individual and Group performance when setting base salary.
Benefits	To help recruit and retain high performing Executive Directors. To provide market competitive benefits.	Benefits are in line with those offered to other senior Management employees and include private medical expenses cover and life insurance cover.	No maximum potential value.	None
Pension	To help recruit and retain high performing Executive Directors. To provide market competitive pensions.	Executive Directors are entitled to participate in the Group's pension scheme.	The CEO and CFO receive statutory minimum pension contributions, in line with legislation and with all other UK employees.	None
Annual bonus	To incentivise and reward performance. To align the interests of the Executives and shareholders in the short and medium term.	Parameters, performance criteria, weightings and targets are set at the start of each year. Payments are made in cash following completion of the year subject to the Committee's assessment of performance against targets and other matters it deems relevant.	The maximum bonus opportunity for the CEO and CFO is 100% of base salary.	Performance measures may include financial, non-financial, personal and strategic objectives. Performance criteria and weightings may be changed from year to year.
Long Term Incentive Plan	To incentivise and reward long-term performance and value creation. To aid retention and align the interests of Executive Directors and shareholders in the long term.	Executive Directors are eligible to receive awards under the 2021 Long Term Incentive Plan at the discretion of the Committee. Under the 2021 LTIP, awards may be granted as nominal or nil-cost options or market value options. Awards are subject to malus and clawback provisions. An additional holding period post vesting may be applied.	The maximum LTIP opportunity for the CEO and CFO is 100 percent of base salary.	Awards may be subject to performance conditions, including financial and non-financial metrics. Performance criteria and weightings may be changed from year to year.

ANNUAL REMUNERATION REPORT

DIRECTORS' REMUNERATION

The total remuneration paid to each Director who served during the period ended 28 December 2025 is set out in the table below:

	Salary/fee £000		Taxable benefits[1] £000		Pension contributions £000		Annual Bonus[2] £000		LTIP[3] £000		Total Remuneration £000	
	2025	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024	**2025**	2024
Executive Directors												
Andy Naylor	**226**	220	**2**	2	**1**	1	-	-	-	42	**229**	265
Richard Haley[4]	**46**	-	**-**	-	**-**	-	-	-	-	-	**46**	-
Non-Executive Directors												
Duncan Garrood[5]	**5**	-	**-**	-	**-**	-	-	-	-	-	**5**	-
Usman Ali[6]	**-**	-	**-**	-	**-**	-	-	-	-	-	**-**	-
Keith Down	**46**	48	**-**	-	**-**	-	-	-	-	-	**46**	48
Brandon Stephens[7]	**75**	32	**-**	-	**-**	-	-	-	-	-	**75**	32
Francesca Tiritiello[8]	**45**	45	**-**	-	**-**	-	-	-	-	-	**45**	45
Past Directors												
Emma Woods[9]	**71**	81	**-**	-	**-**	-	-	-	-	-	**71**	81
Maria Denny[10]	**131**	143	**3**	2	**2**	2	-	-	-	-	**136**	147
Richard Morris[11]	**-**	57	**-**	1	**-**	-	-	-	-	(308)	**-**	(250)
Loeiz Lagadec[12]	**-**	-	**-**	-	**-**	-	-	-	-	-	**-**	-
Total	**645**	626	**5**	5	**3**	3	-	-	-	(266)	**653**	368

[1] Taxable benefits for the Executive Directors relate to private medical insurance.

[2] Outturns for the 2025 annual bonus are described below.

[3] The 2024 LTIP values have been restated with a correct value calculated by reference to the share price on the vesting date (1 December 2024).

[4] Appointed 9 October 2025. Base salary £200,000.

[5] Appointed 5 December 2025.

[6] Usman Ali represents Auctor Group. As part of the Relationship Agreement entered into on 31 January 2025, Auctor are entitled to be paid £35,000 per annum.

[7] In addition to his standard NED fee, Brandon Stephens also received a fee of £42,719 during 2025 in connection with his role as an advisor to the Board of our French operating subsidiary Tortilla Mexican Grill France SAS.

[8] In addition to the standard NED fee, Francesca Tiritiello also received a fee of €21,332 (paid to Kikkirossi Sàrl) during 2025 in connection with her role as Chair of the Board of our French operating subsidiary Tortilla Mexican Grill France SAS.

[9] Stepped down 5 December 2025.

[10] Stepped down 30 September 2025.

[11] Stepped down 31 March 2024.

[12] Stepped down with effect from 31 January 2025. In accordance with the relationship agreement between Quilvest and the Group, Quilvest was entitled to a fee of £2,667 in respect of Loeiz Lagadec's service as a non-executive director of the Group for the period from the start of FY25 to 31 January 2025.

PENSION CONTRIBUTIONS

Executive Directors are entitled to participate in the Group's pension scheme, in line with terms available for the UK workforce, and each of the CEO and CFO receive a contribution of 3 percent of base salary within the legal thresholds for auto-enrolment.

ANNUAL BONUS

The table below sets out the performance targets which applied to the 2025 annual bonus for Executive Directors:

	Weighting	Performance targets			Underpin
		Threshold	Target	Maximum	
Group Adjusted EBITDA*	70%	£4.94m	£5.2m	£5.46m	N/A
France conversion	7.5%	N/A	All FB stores converted to Tortilla by 31 December 2025	N/A	Group EBITDA of £4.94m
European conversion	7.5%	N/A	Sign a franchisee in France by 31 December 2025	N/A	
UK refurbishment	15%	Completion of 5 full UK refurbishments by 31 December 2025	Completion of 5 full UK refurbishments by 31 December 2025	Completion of 6 full UK refurbishments by 31 December 2025	

after bonus accrual.

As the Group Adjusted EBITDA threshold was not met, with actual performance at £1.3m, no bonuses were payable to the Executive Directors in respect of the period ended 28 December 2025.

LTIP

Andy Naylor (the CEO) was granted awards of nil-cost options over 544,578 ordinary shares under the LTIP on 23 June 2025, with a face value at grant equal to 100% of base salary. The award was due to vest on the third anniversary of grant, subject to continued employment and performance measures over the three-year period from 1 January 2025 to 31 December 2027: UK expansion (60% weighting) and European & Middle East expansion (40% weighting).

	Weighting	Performance targets		
		Threshold (25% vesting)	Target (50% vesting)	Maximum (100% vesting)
UK expansion	60%	Opening of 3 new stores (own or franchise) p.a.	Opening of 5 new stores (own or franchise) p.a.	Opening of 7 new stores (own or franchise) p.a.
European & Middle East expansion	40%	Entry into 1 new market + 3 new stores (own or franchise) p.a.	Entry into 2 new markets (or 1 + contract signed for a second) + 5 new stores (own or franchise) p.a	Entry into 3 or more new markets (or 2 + 1 contract signed for a second) + 7 new stores (own or franchise) p.a.

In accordance with the LTIP rules, any unvested awards held by Andy Naylor and Maria Denny lapsed in full immediately on their stepping down from the Board, including the LTIP award granted to Andy Naylor during the 2025 financial year. In addition, during the year Andy Naylor waived his rights, entitlements and interests in respect of the CSOP and market value options granted to him in October 2021 at an exercise price of £1.81 per share. Therefore the only unexercised LTIP award held by any current or former Executive Director is Andy Naylor's LTIP award of nil-cost options granted in December 2022 (and which vested in December 2024) as shown in the table below:

Type of initial option	No. of Ordinary Shares subject to options	Grant date	Vesting date	Exercise price (pence)
Andy Naylor				
LTIP (nil-cost) option	**85,714**	1 December 2022	This award vested on 1 December 2024 but remains unexercised as at the date of this report.	**Nil**

IMPLEMENTATION OF REMUNERATION POLICY IN 2026

In connection with the appointment of a new Executive Team and the establishment of a new UK CEO role in the last six months, the Committee carefully determined the most appropriate structure and level of remuneration for the senior team (including the new Group CEO and CFO). In doing so, it sought to balance the need to attract, motivate and retain high-quality talent in a competitive market with avoiding undue inflation in the Group's cost base. In doing so, due consideration was also given to Brandon Stephens' substantial shareholding as founder of the Group. As such, the remuneration policy will operate as follows in 2026:

	Salary/fee £'000	Maximum bonus (% of salary)	Maximum LTIP (% of salary)	Pension (% of salary)
Executive Directors				
Brandon Stephens[1]	78.6	100%	100%	3%
Richard Haley	200.0	100%	100%	3%
Non-Executive Directors				
Duncan Garrood[2]	81.0	-	-	-
Usman Ali[3]	-	-	-	-
Marta Pogroszewska[2]	40.0	-	-	-
Gregor Grant[2]	45.0	-	-	-
Past Non-Executive Directors				
Keith Down[4]	-	-	-	-
Francesca Tiritiello[4]	-	-	-	-

[1] The Committee recognises that Brandon Stephens' base salary is below market levels for a CEO, which he has accepted as a result of his commitment to the success of the Group based on his material shareholding. The Committee expects to reset Brandon's base salary in line with the Group's remuneration policy during 2026 once the structural reset of the French business has been completed.

[2] Non-Executive Director remuneration shown is inclusive of fees for chairing Board committees: Duncan Garrood receives £5k per annum for his role as Chair of the Nomination Committee; Marta Pogroszewska receives £5K per annum for her role as Chair of the Remuneration Committee; and Gregor Grant receives £10k per annum for his role as Chair of the Audit Committee.

[3] In accordance with the terms of the Relationship Agreement between Auctor and the Group dated 31 January 2025, Auctor is entitled to receive a fee of £35k in respect of Usman Ali's service as a Non-Executive Director of the Group.

[4] NED fees to 5 February 2026 (the date they stepped down from the Board).

The maximum bonus opportunities for Executive directors in the 2026 financial year will be 100% of base salary. The bonus will continue to be assessed against financial (profit) and non-financial targets, with the significant majority of total bonus opportunity weighted on the Group Adjusted EBITDA, and payment against the non-financial measures being conditional on the achievement of a financial underpin being met.

The actual performance targets are not disclosed in advance as they are considered to be commercially sensitive but will be disclosed in the 2026 Annual Report when determination of the bonus has been made.

It is anticipated that a performance-based award will be granted under the LTIP to the Executive Directors during the 2026 financial year. The performance targets have yet to be determined and will be disclosed in next year's Directors' Remuneration Report.

PAST DIRECTORS

As previously noted, Maria Denny stepped down from the Board during 2025 and received no remuneration other than base salary and benefits up to her leaving date (30 September 2025). In accordance with the LTIP Rules, the award of nil-cost options granted to Maria in 2024 lapsed on her leaving date.

Andy Naylor stepped down from the Board on 5 February 2026. In line with the LTIP rules, and as disclosed above, any unvested awards held by Andy at his leaving date have lapsed in full. A payment in lieu of 6 months' notice plus a termination payment of £102k are due to be paid to Andy during 2026.

SHAREHOLDER VIEWS

The Group is committed to high standards of corporate governance and our policy and disclosures on Directors' remuneration are intended to reflect this approach. We welcome shareholder feedback. We have included an advisory resolution on remuneration to shareholders at our 2026 AGM and we will continue to do this for all future AGMs. At the 2025 AGM, 99.98% of the votes cast were in favour of the remuneration report.

DIRECTORS' INTERESTS IN SHARES

The beneficial interests of Directors holding office as at 28 December 2025 and persons connected with them in the ordinary shares of the Group (excluding share options) were as follows:

	Held at 28 December 2025
Brandon Stephens	3,284,503
Richard Haley	49,285
Duncan Garrood	-
Usman Ali	-
Marta Pogroszewska Appointed 5 February 2026	N/A
Gregor Grant Appointed 9 March 2026	N/A
Andy Naylor Stepped down 5 February 2026	151,822
Keith Down Stepped down 5 February 2026	-
Francesca Tiritiello Stepped down 5 February 2026	92,574
Emma Woods Stepped down 5 December 2025	N/A

None of the Non-Executive Directors holds a beneficial interest in shares in the Company as at the date of this report.

DIRECTORS' SERVICE CONTRACTS

Executive Directors

The general principle is that all Executive Directors will have a rolling contract of employment with mutual notice periods of at least six months. The table below provides details of the service contracts of the Executive Directors as at 28 December 2025, and currently.

	Date of service agreement	Notice period by Company (months)	Notice period by Director (months)
Brandon Stephens	5 February 2026	6	6
Richard Haley	6 October 2025	6	6
Andy Naylor	20 September 2021	6	6

Non-Executive Directors

The Non-Executive Directors do not have service contracts but instead have letters of appointment which contain a three-month notice period.

MARTA POGROSZEWSKA
COMMITTEE CHAIR
26 JULY 2026

NOMINATION COMMITTEE REPORT

On behalf of the Board, I am pleased to present the Nomination Committee report for the period ended 28 December 2025.

MEMBERSHIP, ROLE AND RESPONSIBILITIES

The Nomination Committee is responsible for reviewing the structure, size and composition of the Board, preparing a description of the role and capabilities required by a particular appointment and identifying and nominating, for the approval of the Board, candidates to fill board vacancies as and when they arise. The Nomination Committee will meet, as required.

The Committee met formally on two occasions during 2025. Membership of the Committee during 2025, and currently, is set out below:

Membership during 2025	Membership as at July 2026
Emma Woods (Chair), stepped down 5 December 2025	Duncan Garrood (Chair)
Usman Ali, from 26 February 2025	Usman Ali
Keith Down	Marta Pogroszewska, from 5 February 2026
Brandon Stephens	Gregor Grant, from 9 March 2026
Francesca Tiritiello	
Duncan Garrood	

ACTIVITIES DURING THE YEAR

- Executive Director succession planning (recruitment of new CFO)
- Recruitment of new Chair
- Annual review of Non-Executive Director independence and time commitment
- Annual review of the composition of the Board and its committees

CFO RECRUITMENT

We announced in June 2025 that Maria Denny had informed the Board of her intention to step down as a Director and leave the Company with effect from 30 September 2025. The Committee therefore initiated a search for a new Group CFO which resulted in the appointment of Richard Haley who we were delighted to welcome into the business in October 2025.

CHAIR RECRUITMENT

Following Emma Woods' decision to step down as Chair of the Board, the Committee (excluding Emma Woods who it was agreed should not participate in the process to identify her own successor) agreed to initiate a search to identify an appropriately experienced successor. In order to manage costs, it was agreed that existing networks and contacts would be leveraged in order to identify appropriate candidates. Duncan Garrood was identified as a potential candidate through this process, and was met by all members of the Committee and the Executive Directors. Feedback from those meetings was discussed and led to all members of the Committee unanimously recommending Duncan's appointment to the Board with effect from 5 December 2025.

NEW NED SEARCHES

Since the 2025 year-end, we have announced significant changes to the Board with effect from 5 February 2026 including:

- Brandon Stephens moving from a Non-Executive Director role to replace Andy Naylor as CEO;
- Keith Down and Francesca Tiritiello stepping down as Non-Executive Directors and chairs of the Audit and Remuneration Committees respectively. Francesca continues to work with the business in a more active role as a Board Advisor UK and European franchise development through her franchise advisory firm Kikkirossi; and
- Marta Pogroszewska joining the Board as an Independent Non-Executive Director and Chair of the Remuneration Committee.

A search for an additional Independent Non-Executive Director and Audit Committee Chair was undertaken in early 2026 and resulted in the appointment of Gregor Grant with effect from 9 March 2026. Following Gregor's appointment the composition of the Board has returned to being in line with the QCA Corporate Governance Code recommendation that at least half the Board is independent.

COMPOSITION, INDEPENDENCE AND TIME COMMITMENT

During the year, and as part of its usual cycle of activity, the Committee considered the composition of the Board and its Committees, including the skills, experience and independence of the Directors and the balance of independence on the Board and Committees. As noted on page 52, the Board currently comprises two executive directors, one non-independent Non-Executive Director (Usman Ali) and three Non-Executive Directors considered to be independent by the Board (Duncan Garrood, Marta Pogroszewska and Gregor Grant). Although this composition means that only half of the Board is independent, the Committee is comfortable that there is sufficient independent representation and that the independent directors are effective in objectively assessing the strategy and performance of the business and safeguarding the interests of shareholders.

The Committee is satisfied that there is an appropriate balance of skills, experience and diversity to support delivery of the Company's strategic ambitions over the medium to long-term. Collectively, and as shown in their biographies on pages 48 to 49 the Directors have significant experience in the UK food and hospitality sector, overseeing and managing growth, international franchise, technology and innovation, and UK listed company governance, financial management and reporting.

The Committee also reviewed the time commitment set out in the letters of appointment of each of our Non-Executive Directors. Each Non-Executive Director confirmed they continue to have sufficient time to discharge their roles, and the Committee was satisfied that their other external appointments do not adversely impact on the time they devote to Tortilla.

DR DUNCAN GARROOD
COMMITTEE CHAIR
26 JULY 2026

DIRECTORS' REPORT

The Directors present the Directors' report on the affairs of Tortilla Mexican Grill plc (the "Company"), together with the audited consolidated financial statements, for the period ended 28 December 2025.

The following information is provided in other sections as noted below and is incorporated by reference into this report:

The Company is a public limited company, registered in England and Wales, with registered number 13511888, and is listed on the AIM segment of the London Stock Exchange. The Company has been permanently domiciled in the UK since incorporation and is the ultimate parent company of the Tortilla group of companies (the "Group"). Details of the companies in the Group are included in Note 26 to the audited financial statements on pages 82 to 107.

REVIEW OF THE BUSINESS

The Strategic report on pages 3 to 30 provide an operating and financial review of the business and the Group's trading for the year ended 28 December 2025 as well as risk management.

DIVIDENDS

The Group's capital remains focused on the funding of the strategic agenda including product and ambience, customer, wider European growth, optimising and modernising the UK estate and strengthening the balance sheet. Accordingly, the Directors are not proposing the payment of a final dividend for the financial period ended 28 December 2025.

DIRECTORS

The Directors of the Company who held office during the year were as follows:

	Appointment
Duncan Garrood, Chair	Appointed 5 December 2025
Brandon Stephens, CEO	Non-Executive Director throughout 2025, CEO from 5 February 2026
Richard Haley, CFO	Appointed 9 October 2025
Usman Ali, Non-Executive Director	Appointed 26 February 2025
Maria Denny	Stepped down 30 September 2025
Keith Down	Non-Executive Director throughout 2025, stepped down 5 February 2026
Andy Naylor	CEO throughout 2025, stepped down 5 February 2026
Francesca Tiritiello	Non-Executive Director throughout 2025, stepped down 5 February 2026
Loeïz Lagadec	Stepped down 31 January 2025
Emma Woods	Stepped down 5 December 2025

Marta Pogroszewska and Gregor Grant were appointed as Non-Executive Directors with effect from 5 February 2026 and 9 March 2026 respectively.

Duncan Garrood, Richard Haley, Marta Pogroszewska and Gregor Grant, having each been appointed since the last AGM, will stand for election by shareholders at the forthcoming AGM in accordance with the Company's Articles of Association ("Articles").

In accordance with our established approach to good corporate governance practice, the Board has voluntarily adopted the policy that all continuing Directors will stand for re-election on an annual basis. Biographical details of the Directors are set out on pages 48 to 49.

Directors' remuneration, share options, long-term executive plans, pension contributions, benefits and interests are set out in the Directors' Remuneration report on pages 59 to 64.

The Company's Articles provide, subject to the provisions of UK legislation, an indemnity for Directors and Officers of the Group and Company in respect of liabilities they may incur in the discharge of their duties or in the exercise of their powers. Directors' and Officers' liability insurance cover is maintained by the Company and is in place in respect of all the Company's Directors at the date of this Annual Report. The Company will review its level of cover on an annual basis.

SHARE CAPITAL

As at 28 December 2025, the issued share capital of the Company was £386,640 divided into 38,664,031 ordinary shares of £0.01 (29 December 2024 – 38,664,031) which are admitted to trading on AIM.

The holders of the ordinary shares are entitled to one vote per share at the Company's general meetings. The Directors are not aware of any agreements between the holders of the Company's shares that may result in the restriction of the transfer of securities or on voting rights. No shareholder holds securities carrying special rights or controls over the Company's share capital.

AUTHORITY TO PURCHASE OWN SHARES

Subject to authorisation by shareholder resolution, the Company may purchase its own shares in accordance with the Companies Act 2006. Any shares which have been bought back may be held as treasury shares or cancelled immediately upon completion of the purchase.

At the Company's AGM held on 19 June 2025, the Company was generally and unconditionally authorised by its shareholders to make market purchases (within the meaning of section 693 of the Companies Act 2006) of up to a maximum of 3,866,403 of its ordinary shares. The Company has not repurchased any of its shares under this authority, which is due to expire at the AGM to be held on 25 August 2026, and accordingly has an unexpired authority to purchase up to 3,866,403 ordinary shares with a nominal value of £38,664.03.

SIGNIFICANT SHAREHOLDERS

As at 1 July 2026, the Company had been notified of the following interests amounting to 3% or more of the voting rights attaching to the Company's issued share capital:

	Number of Ordinary Shares of £0.01 each	% of Total Voting Rights
Auctor UEP PTE. LTD	7,892,928	20.4
Tercio Capital, FIL	5,911,744	15.3
Canaccord Genuity Inc	4,407,000	11.4
Brandon Stephens	3,284,503	8.5
Francisco Javier Otegui Orensan	2,326,000	6.0
Nadine Benchaffai	1,540,500	4.0
Inversafei	1,410,685	3.7
Luke Johnson	1,400,000	3.6

STREAMLINED ENERGY & CARBON REPORTING ("SECR")/ ENERGY CONSUMPTION

The SECR reporting requirement has been fulfilled in the Climate-related Financial Disclosures, detailed on pages 32 to 46.

RELATED PARTY TRANSACTIONS

There are no related party transactions to be disclosed under the AIM Rules. Information on other related party transactions is detailed in note 27 of the financial statements.

POLITICAL DONATIONS

The Group made no political donations during the period ended 28 December 2025.

POST BALANCE SHEET EVENTS

The following material events occurred between 28 December 2025 and the date of approval of these financial statements.

Covenant waivers and incremental facility
Subsequent to the year end, following the identification and correction of accounting errors within the French business, the Group retrospectively breached its net leverage and fixed charge cover covenants at the December 2025 and March 2026 test dates. Santander UK plc formally waived these breaches and agreed revised covenant thresholds for June, September and December 2026, reverting to the original levels from 2027. The facility remains fully available to the Group. In addition, on 8 May 2026 the Group agreed an incremental overdraft facility of £1.3 million with Santander UK plc to provide additional short-term liquidity headroom.

French business reset
Subsequent to the year-end, the Group initiated a structural reset of its French business to address its losses and accelerate the path to profitability. Actions already taken include a reduction to support office costs, estate rationalisation and actions to drive further growth in converted stores, Since the year-end stores at Nice, Grenoble and Nantes have been closed, stemming cash losses.

UK rightsizing
The Group has also closed loss making sites at Portsmouth and Canterbury since the year-end.

BRANCHES

As at 28 December 2025, the Company had 13 owned branches outside the UK, all of which were located in France.

EMPLOYMENT POLICIES

The Group's employment policy includes that the recruitment, training, career development and promotion of disabled persons should, as far as possible, be identical to that of other employees. Should any employee of the Group become disabled during their employment, we will retrain that employee and make necessary adjustments to their working environment where possible to keep the employee with the Group.

AUDITOR

HaysMac LLP has indicated its willingness to continue in office as auditor and a resolution to appoint them will be proposed at the forthcoming Annual General Meeting.

DISCLOSURE OF INFORMATION TO AUDITORS

So far as each of the Directors who held office at the date of this Director's Report is aware:

- there is no relevant audit information of which the Group's auditors are unaware; and
- each Director has taken all steps that they ought to have taken as a Director to make themselves aware of any relevant audit information and to establish that the Group's auditors are aware of that information.

ANNUAL GENERAL MEETING

The Group's next AGM will be held at CMS, 78 Cannon Street, London, EC4N 6AF on 25 August 2026. Details of the business to be transacted at the AGM are set out in the Notice of AGM which is available on the Group's website and, where appropriate, by an announcement via a RIS, if any changes are required to the AGM arrangements

The Directors' report was approved by the Board on 26 July 2026.

RICHARD HALEY
CHIEF FINANCIAL OFFICER
26 JULY 2026

STATEMENT OF DIRECTORS' RESPONSIBILITIES

The Directors are responsible for preparing the Annual Report and the financial statements in accordance with applicable law and regulations.

Company law requires the Directors to prepare financial statements for each financial year. Under that law the Directors have prepared the Group financial statements in accordance with UK-adopted international accounting standards. The Directors have elected to prepare the Parent Company financial statements in accordance with United Kingdom Generally Accepted Accounting Practice (United Kingdom Accounting Standards, comprising FRS 102).

Under company law the Directors must not approve the financial statements unless they are satisfied that they give a true and fair view of the state of affairs and profit or loss of the Group and the Company for that period. In preparing these financial statements, the Directors are required to:

- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- for the Group financial statements state whether they have been prepared in accordance with UK-adopted international accounting standards, subject to any material departures disclosed and explained in the financial statements;
- for the Parent Company financial statements, state whether applicable UK accounting standards have been followed, subject to any material departures disclosed and explained in the financial statements; and
- prepare the financial statements on the going concern basis unless it is inappropriate to presume that the Group and the Company will continue in business.

The Directors are responsible for keeping adequate accounting records that are sufficient to show and explain the Company's transactions and disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the financial statements comply with the Companies Act 2006. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

The Directors are responsible for ensuring the annual report and the financial statements are made available on a website. Financial statements are published on the Company's website in accordance with the legislation in the UK governing the preparation and dissemination of financial statements, which may differ from legislation in other jurisdictions.

The maintenance and integrity of the Company's website is the responsibility of the Directors. The directors' responsibility also extends to the ongoing integrity of the financial statements contained therein. In the case of each Director in office at the date the Directors' report is approved:

- so far as the Director is aware, there is no relevant audit information of which the Group's and parent Company's auditors are unaware; and
- they have taken all the steps that they ought to have taken as a Director in order to make themselves aware of any relevant audit information and to establish that the Group's and parent Company's auditors are aware of that information.

This Responsibility Statement was approved by the Board on 26 July 2026 and is signed on its behalf by:

RICHARD HALEY
CHIEF FINANCIAL OFFICER
26 JULY 2026

INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF TORTILLA MEXICAN GRILL PLC

OPINION

We have audited the financial statements of Tortilla Mexican Grill PLC (the 'parent company') and its subsidiaries (the 'group') for the period ended 28 December 2025 which comprise the Consolidated Statement of Comprehensive Income, Consolidated and Company Statements of Financial Position, Consolidated Statement of Cash Flows, Consolidated and Company Statements of Changes in Equity and notes to the financial statements, including a summary of significant accounting policies. The financial reporting framework that has been applied in the preparation of the group financial statements is applicable law and International Accounting Standards as adopted by the United Kingdom. The financial reporting framework that has been applied in the preparation of the parent company financial statements is applicable law and United Kingdom Accounting Standards, including Financial Reporting Standard 102 'The Financial Reporting Standard applicable in the UK and Republic of Ireland' (United Kingdom Generally Accepted Accounting Practice).

In our opinion:

- give a true and fair view of the state of the group's and of the parent company's affairs as at 28 December 2025 and of the group's loss for the period then ended;
- the group financial statements have been properly prepared in accordance with International Accounting Standards as adopted by the United Kingdom and in accordance with the requirements of the Companies Act 2006; and
- the parent company financial statements have been properly prepared in accordance with United Kingdom Generally Accepted Accounting Practice and 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 under those standards are further described in the Auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the group in accordance with the ethical requirements that are relevant to our audit of the financial statements in the UK, including the FRC's Ethical Standard as applied to listed entities, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

AN OVERVIEW OF THE SCOPE OF OUR AUDIT

Our assessment of audit risk, our evaluation of materiality and our allocation of performance materiality determine our audit scope for each company within the Group. Taken together, this enables us to form an opinion on the consolidated financial statements.

For the 52 week period ended 28 December 2025, the Group undertook all its trading activities through its wholly-owned subsidiaries. The components in scope for audit procedures were selected based on our assessment of the likelihood of that component giving rise to a risk of material misstatement in the Group financial statements. Full scope audit procedures were performed on components with significant levels of aggregation risk. Specific audit procedures were performed on components where aggregation risk was considered to be limited or none.

Audit work to respond to the assessed risks of material misstatement in respect of the Group's UK incorporated entities was performed directly by the group audit engagement team, and this included full scope audit procedures on the parent company, Mexican Grill Limited, Mexican Grill International Franchise Limited and Chilango Limited.

Of the Group's nine components incorporated in France (as listed in note 26 of these financial statements) all were considered relevant and were subject to specific scope audit procedures undertaken with reference to component materiality levels by a component auditor under instruction from and supervision by HaysMac LLP as the Group auditor.

The work performed was to the materiality levels set out below, with component materiality levels adopted for the relevant subsidiary entities depending on the level of work to be performed as a result of our scoping assessment.

INVOLVEMENT WITH COMPONENT AUDITOR

We have been involved at all stages of the component audit to ensure in our role as Group auditor the work completed was sufficient to provide us with sufficient and appropriate audit evidence to allow us to form our basis for our opinion on the Group financial statements as a whole. Our involvement with the component auditor consisted of, but was not limited to the following procedures:

- A scoping meeting to consider and document our preplanning assessments;
- An audit planning meeting with ourselves and the component auditor and component management:
- An assessment of the internal policies and procedures of the component auditor to ensure that the audit work undertaken addressed our Group audit risk assessment to a level of quality consistent with our own;
- The issue of group audit instructions to the component auditor;
- Obtaining copies of and reviewing the audit working papers of the component auditor;
- A re-assessment of our group scoping during the course of the audit to take into account findings of our review of the component auditor's working papers, and with reference to matters identified regarding the control environment of the Group's French components;
- Issue of instructions to the component auditors to perform additional audit testing where we considered it appropriate;
- A review of the component auditor's work in respect of the reconciliation between reported financial information under local GAAP requirements and that used for the purposes of the Group's reporting under UK-adopted International Accounting Standards;
- Incorporation of identified misstatements and findings from the component auditors in our final audit findings report; and
- Completion meeting with the component auditor and group management to discuss their findings.

Throughout the audit process the Group audit team remained in contact with the component auditors to discuss findings and further audit work to be performed in order to complete the work on the Group's French subsidiaries to an appropriate standard.

CONCLUSIONS RELATING TO GOING CONCERN

In addition to the key audit matters set out below, going concern was also identified as a key audit matter due to the Group's financial performance and liquidity position.

The Group recorded an operating loss of £15.1m during the period together with cash outflows in the year of £1.7m. Furthermore, the Group makes use of financing arrangements in the form of a revolving credit, overdraft and term loan facilities, with the overdraft facility being repayable on demand by the Group's bankers.

In auditing the financial statements, we have concluded that the Directors' use of the going concern basis of accounting in the preparation of the financial statements is appropriate.

Our evaluation of the Directors' assessment of the Group and Parent Company's ability to continue to adopt the going concern basis of accounting included:

- Assessing management's going concern review process and evaluating the methodology applied in preparing its forecasts and assessments and ensuring that they covered a period of not less than twelve months from the date of approval of the financial statements.
- Reviewing and challenging the assumptions underpinning management's cash flow forecasts, including expected revenue growth, gross margins, operating costs and working capital movements.
- Comparing forecast results to historical performance and considering current trading trends and available market information.
- Evaluating the availability and terms of the Group's financing arrangements, including consideration of facility maturity dates and any related conditions. We considered the current nature of the majority of the Group's borrowings at the reporting date (the circumstances of which are described in note 2.5 of the financial statements) and obtained documentation concerning subsequent covenant waivers.
- Reviewing correspondence between the Group and its bankers concerning overdraft facilities in place at the date of approval of the financial statements, along with management's assessment of the prospects of the overdraft remaining available to the Group for a period of not less than twelve months.
- Reviewing management's assessment of prospective compliance with revised banking covenants and independently testing covenant calculations where applicable.
- Considering whether management's forecasts adequately reflected principal risks and uncertainties facing the Group.
- Considering and performing our own sensitivity analysis on financial projections for the Group covering a period of not less than twelve months from the date of approval of the financial statements, in particular considering the implications of reduced revenue and EBITDA growth.
- Assessing and confirming other forms of finance available to the Group in the event of the availability of banking facilities being curtailed, and a considering of the ability of the Group to manage its cash and working capital in the event of a reduced facilities being available.
- Assessing the adequacy and appropriateness of the disclosures included in the financial statements relating to going concern, including any uncertainties identified by management.

- Considering mitigation measures available to management in the event of adverse scenarios arising in respect of the prospective financial performance of the Group, in particular the Group’s ability to curtail cash outflows by ceasing the operations of its French subsidiaries within a reasonable timeframe.

Based on the work we have performed, we have not identified any material uncertainties relating to events or conditions that, individually or collectively, may cast significant doubt on the Group's ability to continue as a going concern for a period of at least twelve months from when the financial statements are authorised for issue.

Our responsibilities and the responsibilities of the directors with respect to going concern are described in the relevant sections of this report.

KEY AUDIT MATTERS

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period and include the most significant assessed risks of material misstatement (whether or not due to fraud) we identified, 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. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

VALUATION OF PROPERTY, PLANT AND EQUIPMENT (INCLUDING RIGHT OF USE ASSETS AND ALLOCATED GOODWILL)

As at 28 December 2025, the Group recognised non-current assets with a carrying value of £39.5m. These assets are material to the Group and there is a risk that they are materially overstated if impairment charges have not been appropriately recognised.

The process for measuring and recognising impairment under International Accounting Standard (IAS) 36 "Impairment of Assets" is complex and incorporates both significant judgement and estimation, particularly in respect of forward-looking financial projections and the allocation of attributable cash flows to these projections.

Our audit work included, but was not restricted to the following:

- The assessment of Management's impairment review process and the consideration and challenge of Management's assumptions.
- The review of the each of the Group’s cash generating units for indicators of impairment and assessment of whether cash generating unites showing impairment risk indicators were considered in the impairment assessment.
- The verification of the arithmetical accuracy and integrity of value in use models prepared by Management.
- The review and assessment of cashflows as forecast by Management and as used in their calculations of the value in use of the assets.
- The assessment and challenge of assumptions used in the impairment calculation with reference to data such as historic results, market trends and future expectations.
- Consideration of the appropriateness of the discount rate used in Management's impairment assessment, which was based on the Group's weighted average cost of capital.
- Consideration of uncertainties associated with future projections and the sensitivity of the carrying value of cash generating units to adverse changes in them, including performance of sensitivity analysis on modelled cash flows.
- A review of the financial performance of the Group’s cash generating units after the reporting date to consider whether forecasts and (where relevant) projected improvements in financial performance appeared reasonably modelled.
- The assessment of whether disclosures made in the financial statements relating to impairments are appropriate.

OUR APPLICATION OF MATERIALITY

The scope of our audit was influenced by our application of materiality. We set certain quantitative thresholds for materiality. These, together with qualitative considerations, helped us to determine the scope of our audit and the nature, timing and extent of our audit procedures on the individual financial statement line items and disclosures and in evaluating the effect of misstatements, both individually and in aggregate on the financial statements as a whole.

The materiality for the Group financial statements as a whole was set at £691,000. This was determined as being 0.93% of group revenue. Revenue has been selected as a benchmark because it is a Key Performance Indicator used by the Group (which is presently loss-making) and a relevant indicator of its size and growth. On the basis of our risk assessment and review of the Group's control environment, group performance materiality was set at 70% of materiality, being £484,000. The reporting threshold to the audit committee was set at 5% of materiality, being £34,500. If in our opinion, differences below this level warranted reporting on qualitative grounds, these would also be reported.

We have determined Parent Company materiality to be £110,000. This was determined as being 3% of gross assets. Gross assets has been selected as the benchmark as the Parent company is a holding company and does not trade. Therefore the gross asset position is deemed to be the area of principle interest for the stakeholders. Because of our risk assessment and review of the Parent's control environment, performance materiality was set at 70% of materiality, being £77,000. The reporting threshold to the audit committee was set at 5% of materiality, being £5,500. If in our opinion, differences below this level warranted reporting on qualitative grounds, these would also be reported.

OTHER INFORMATION

The directors are responsible for the other information. The other information comprises the information included in the annual report, other than the financial statements and our auditor's report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If we identify such material inconsistencies or apparent material misstatements, we are required to determine whether there is a material misstatement in the financial statements or a material misstatement of the other information.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Opinions on other matters prescribed by the Companies Act 2006

In our opinion, based on the work undertaken in the course of the audit:

- the information given in the strategic report and the directors' report for the financial year for which the financial statements are prepared is consistent with the financial statements; and
- the strategic report and the directors' report have been prepared in accordance with applicable legal requirements.

MATTERS ON WHICH WE ARE REQUIRED TO REPORT BY EXCEPTION

In the light of the knowledge and understanding of the group and the parent company and its environment obtained in the course of the audit, we have not identified material misstatements in the strategic report or the directors' report.

We have nothing to report in respect of the following matters in relation to which the Companies Act

2006 requires us 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 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.

RESPONSIBILITIES OF DIRECTORS

As explained more fully in the directors' responsibilities statement, the directors are responsible for the preparation of the financial statements and for being satisfied that they give a true and fair view, and for such internal control as the directors determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the directors are responsible for assessing the group's and the 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 the directors 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 FOR THE AUDIT OF THE FINANCIAL STATEMENTS

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 an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a 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 the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Irregularities, including fraud, are instances of non-compliance with laws and regulations. We design procedures in line with our responsibilities, outlined above, to detect material misstatements in respect of irregularities, including fraud. The extent to which our procedures are capable of detecting irregularities, including fraud is detailed below:

Explanation as to what extent the audit was considered capable of detecting irregularities, including fraud

Based on our understanding of the company and industry, we identified that the principal risks of non-compliance with laws and regulations related to regulatory requirements for the company and trade regulations, such as minimum wage regulation and food standards requirements and we considered the extent to which non-compliance might have a material effect on the financial statements. We also considered those laws and regulations that have a direct impact on the preparation of the financial statements such as the Companies Act 2006, income tax, payroll tax and sales tax.

We evaluated management's incentives and opportunities for fraudulent manipulation of the financial statements (including the risk of override of controls), and determined that the principal risks were related to posting inappropriate journal entries to revenue and management bias in accounting estimates. Audit procedures performed by the engagement team included:

- Inspecting correspondence with regulators and tax authorities;
- Discussions with management including consideration of known or suspected instances of non-compliance with laws and regulation and fraud;
- Evaluating management's controls designed to prevent and detect irregularities;
- Identifying and testing accounting journal entries, in particular those journal entries which exhibited the characteristics we had identified as possible indicators of irregularities; and
- Challenging assumptions and judgements made by management in their critical accounting estimates;

- Review of minutes of meetings of those charged with governance for any instances of non-compliance with laws and regulations; and
- Enquiry of management, the Audit Committee and those charged with governance regarding any known or suspected instances of fraud.

Because of the inherent limitations of an audit, there is a risk that we will not detect all irregularities, including those leading to a material misstatement in the financial statements or non-compliance with regulation. This risk increases the more that compliance with a law or regulation is removed from the events and transactions reflected in the financial statements, as we will be less likely to become aware of instances of non-compliance. The risk is also greater regarding irregularities occurring due to fraud rather than error, as fraud involves intentional concealment, forgery, collusion, omission or misrepresentation.

A further description of our responsibilities for the audit of the financial statements is located on the Financial Reporting Council's website at: www.frc.org.uk/auditorsresponsibilities. This description forms part of our auditor's report.

USE OF OUR REPORT

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.

CHRISTOPHER CORK
(SENIOR STATUTORY AUDITOR)

FOR AND ON BEHALF OF HAYSMAC LLP,
STATUTORY AUDITORS

10 QUEEN STREET PLACE
LONDON
EC4R 1AG

26 JULY 2026

FINANCIAL STATEMENTS

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME FOR THE 52 WEEKS ENDED 28 DECEMBER 2025

	Note	52 weeks ended 28 December 2025 £	52 weeks ended 29 December 2024 £
Revenue	4	**73,989,937**	67,999,489
Cost of sales		**(18,323,090)**	(15,899,248)
Gross profit		**55,666,847**	52,100,241
Administrative expenses		**(68,291,455)**	(53,286,745)
Other income		**526,050**	-
Operating loss	4/5	**(12,098,558)**	(1,186,504)
Finance income	9	**14,139**	83,999
Finance expense	10	**(2,668,943)**	(2,214,464)
Loss before taxation		**(14,753,362)**	(3,316,969)
Tax on loss	11	**(356,634)**	(9,502)
Loss for the period and comprehensive income attributable to equity holders of the parent company		**(15,109,996)**	**(3,326,471)**
Loss per share for profit attributable to the owners of the parent during the year			
Basic and diluted (pence)	12	**(39.1)**	(8.6)

There were no items of recognised income or expense other than as shown in the Consolidated statement of comprehensive income above. All activities relate to continuing operations.

The notes on pages 82 to 107 form part of these financial statements.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION AS AT 28 DECEMBER 2025

	Note	28 December 2025 £	29 December 2024 £
Non-current assets			
Intangible assets	15	**1,893,648**	4,909,031
Tangible assets	16	**12,847,176**	15,169,803
Right-of-use assets	13	**24,567,489**	31,592,056
Finance lease assets	14	**201,477**	-
		39,509,790	51,670,890
Current assets			
Inventories	17	**550,095**	547,753
Trade and other receivables	18	**4,162,728**	3,299,473
Cash and cash equivalents	19	**1,608,931**	2,760,960
Finance lease assets	14	**92,500**	-
		6,414,254	6,608,186
Current liabilities			
Trade and other payables	20	**(12,706,121)**	(12,180,782)
Lease liabilities	13	**(6,655,823)**	(7,060,640)
Loans and borrowings	21	**(12,190,476)**	-
Net current liabilities		**(25,138,166)**	(12,633,236)
Total assets less current liabilities		**14,371,624**	39,037,654
Non-current liabilities			
Loans and borrowings	21	**(406,926)**	(8,433,523)
Lease liabilities	13	**(28,852,652)**	(30,489,693)
Deferred taxation	22	**(957,053)**	(600,419)
Net liabilities		**(15,845,007)**	(485,981)
Equity attributable to equity holders of the company			
Called up share capital	23	**386,640**	386,640
Share premium account	24	**4,433,250**	4,433,250
Share based payment reserve	24	**790,490**	794,585
Merger reserve	24	**4,793,170**	4,793,170
FX reserve	24	**(244,935)**	-
Retained earnings	24	**(26,003,622)**	(10,893,626)
Total equity		**(15,845,007)**	**(485,981)**

The accompanying notes on pages 82 to 107 form an integral part of these financial statements. The Company statement of financial position can be found on page 108. The financial statements of Tortilla Mexican Grill plc (registration number 13511888) were approved and authorised for issue by the Board and were signed on its behalf by:

Richard Haley
Chief Financial Officer
26 July 2026

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY FOR THE 52 WEEKS ENDED 28 DECEMBER 2025

	Called up share capital	Share premium account	Share-based payment reserve	Merger reserve	FX reserve	Profit and loss account	Total
	£	£	£	£	£	£	£
At 01 January 2024	**386,640**	**4,433,250**	**839,978**	**4,793,170**	**-**	**(7,567,155)**	**2,885,883**
Loss for the period	-	-	-	-	-	(3,326,471)	(3,326,471)
Share based payments	-	-	(45,393)	-	-	-	(45,393)
At 30 December 2024	**386,640**	**4,433,250**	**794,585**	**4,793,170**	**-**	**(10,893,626)**	**(485,981)**
Loss for the period	-	-	-	-	-	(15,109,996)	(15,109,996)
Share-based payments	-	-	(4,095)	-	-	-	(4,095)
FX translation	-	-	-	-	(244,935)	-	(244,935)
At 28 December 2025	**386,640**	**4,433,250**	**790,490**	**4,793,170**	**(244,935)**	**(26,003,622)**	**(15,845,007)**

The notes on pages 82 to 107 form part of these financial statements.

CONSOLIDATED STATEMENT OF CASH FLOWS FOR THE 52 WEEKS ENDED 28 DECEMBER 2025

	Note	52 weeks ended 28 December 2025 £	52 weeks ended 29 December 2024 £
Cash flows from operating activities			
Loss for the financial period		**(15,109,996)**	(3,326,471)
Adjustments for:			
Amortisation of intangible assets	15	**34,163**	14,045
Depreciation of right-of-use assets	13	**5,333,400**	4,685,847
Depreciation of property, plant and equipment	16	**4,526,824**	4,054,126
(Gain)/loss on disposal of non-current assets	15/16	**(366,151)**	126,690
Net finance expense	9/10	**777,661**	393,782
Taxation charge	11	**356,634**	9,502
(Increase) in inventories	17	**(2,342)**	(156,032)
(Increase) / decrease in trade and other receivables	18	**(863,255)**	162,555
Increase in trade and other payables	20	**955,324**	918,854
Impairment of property, plant and equipment	16	**1,672,483**	598,291
Impairment of right-of-use assets	13	**5,350,726**	158,538
Impairment of intangible assets	15	**2,891,220**	684,757
Corporation tax received / (paid)		**-**	571,145
Share based payments	8	**(4,095)**	(45,393)
Finance cost of lease liabilities	13	**1,877,143**	1,735,062
Net cash generated from operations		**7,429,739**	10,585,298
Cash flows from investing activities			
Purchase of intangible assets	15	**(16,917)**	-
Purchase of tangible fixed assets	16	**(4,249,780)**	(4,999,191)
Interest received	9	**14,139**	83,999
Acquisitions, net of cash acquired	25	**(180,860)**	(1,350,253)
Proceeds on sale of disposal of non-current assets		**250,000**	-
Release of contingent consideration		**(249,127)**	-
Net cash from investing activities		**(4,432,545)**	(6,265,445)
Cash flows from financing activities			
Interest paid	10	**(791,800)**	(477,781)
Payments made in respect of lease liabilities	13	**(7,623,278)**	(6,853,314)
Loan drawdown	25	**2,800,000**	4,200,000
Loan repayment	25	**(461,217)**	-
Net cash used in financing activities		**(6,076,295)**	(3,131,095)
Net (decrease) / increase in cash and cash equivalents		**(3,079,101)**	1,188,758
Cash and cash equivalents at the beginning of period	19	**2,760,960**	1,644,674
Foreign exchange gain /(loss)		**13,277**	(72,472)
Cash and cash equivalents at the end of period		**(304,864)**	2,760,960

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

1. GENERAL INFORMATION

Tortilla Mexican Grill plc, the “Company” together with its subsidiaries, “the Group”, is a public limited company whose shares are publicly traded on the Alternative Investment Market, “AIM”, and is incorporated and domiciled in the United Kingdom and registered in England and Wales (registration number 13511888).

The registered address of Tortilla Mexican Grill plc and the subsidiaries based in the United Kingdom is 142-144 New Cavendish Street, London, W1W 6YF, United Kingdom. A list of the Company’s subsidiaries is presented in note 26.

The Group’s principal activity is the operation and management of restaurants trading under the Tortilla, Chilango, and Fresh Burritos brands within the United Kingdom, France, and the Middle East.

Judgements made by the directors in the application of these accounting policies have been discussed in note 3.

2. ACCOUNTING POLICIES

2.1 Statement of compliance

The consolidated financial statements have been prepared in accordance with International Accounting Standards in conformity with the requirements of the Companies Act 2006 and in accordance with International Financial Reporting Standards as adopted by the UK ("Adopted IFRS").

Tortilla Mexican Grill plc has taken advantage of the exemption under section 408 of the Companies Act 2006 to not present its own statement of comprehensive income. The loss for the single entity Tortilla Mexican Grill plc for the 52 weeks ended 28 December 2025 was £37,565 (29 December 2024: £861,668).

2.2 Basis of preparation of financial statements

The consolidated financial information contained in this document includes the consolidated statement of comprehensive income, the consolidated statement of financial position, the consolidated statement of changes in equity and the consolidated statement of cash flows, and related notes for the companies which comprise the Group.

The financial statements have been prepared on an accruals basis and under the historical cost convention unless otherwise stated. The financial statements are presented in GBP.

2.3 New standards, amendments and interpretations adopted

The Directors do not consider that there are any new standards or amendments applicable for the 52 weeks ending 28 December 2025 that would have a material impact on the Group's accounting treatment.

2.4 Basis of consolidation

The consolidated financial information incorporates the financial statements of the Group and all of its subsidiary undertakings. The financial statements of all Group companies are adjusted, where necessary, to ensure the use of consistent accounting policies. Where the Group has power, either directly or indirectly, to govern the financial and operating policies of an entity to obtain benefits from its activities, it is classified as a subsidiary.

The statement of financial position as at 28 December 2025 incorporates the results of Tortilla Mexican Grill plc and its subsidiaries for all periods, as set out in the basis of preparation.

2.5 Going concern

In assessing the going concern position of the Group for the consolidated financial statements for the 52 weeks ended 28 December 2025, the Directors have considered the Group’s forecast cash flows, available banking facilities and covenant compliance over a period of at least 17 months from the date of approval of these financial statements.

In June 2025, the Group refinanced its debt facilities, agreeing a new £12.5 million Senior Facility Agreement with Santander UK plc, maturing in June 2028. At 28 December 2025 the Group had adjusted net debt of £10.8 million, excluding lease liabilities. Net debt defined as net debt / cash, cash equivalent and cash in transit (including card receipts and delivery receipts), excluding lease liabilities arising from application of IFRS 16.

As a result of the identification of the accounting issues within the French business and the requirements to restate Adjusted EBITDA within our covenants tests, the Group retrospectively breached its net leverage and fixed charge cover covenants at the December 2025 and March 2026 quarterly test dates. The breaches arose retrospectively from an accounting misstatement in the French business, in which £2.7 million of operating expenditure had been incorrectly recorded in the Group’s French balance sheet. The correction of these errors reduced Group FY25 Adjusted EBITDA Pre IFRS 16 to £1.1 million. Santander UK plc has formally waived the breaches at both test dates and agreed revised covenant thresholds for June, September and December 2026, reverting to original levels from 2027. The facility remains fully available. The breach entitled Santander UK plc to require repayment on demand at that date. On that basis, the Group did not have the right at 28 December 2025 to defer settlement of the affected borrowings for at least twelve months after the reporting date. Accordingly, those borrowings are classified as current liabilities in the consolidated statement of financial position at 28 December 2025.

Following covenant waivers received post year-end, the term loan is no longer repayable on demand. The Group expects to remain compliant with the revised covenant requirements and, accordingly, will present the portion of borrowings due after 12 months as non-current liabilities at the next reporting date.

Management has prepared detailed cash flow forecasts covering the going concern period, including a base case, a downside case incorporating Management's quantification of plausible adverse scenarios, and a severe but plausible downside ("reverse stress test") case. These scenarios demonstrate compliance with banking covenants at each quarterly test date. A severe stress scenario was also modelled; in this case, the complete exit of the Group's French operations represents a further mitigating action available to management which would restore covenant compliance. In addition, on 8 May 2026 the Group agreed an incremental short-term overdraft facility, repayable on demand, of £1.3 million with Santander UK plc to provide additional liquidity headroom. The Group has access to other sources of funding, if required in the event of the overdraft ceasing to be available. Together with the Group's ongoing working capital management, the Directors consider that the Group has access to sufficient resources to meet its liabilities as they fall due.

Subsequent to the balance sheet date, the Group initiated a structural reset of the French business to address its losses and accelerate the path to profitability. Actions already taken include a reduction to support office costs, estate rationalisation – three sites have been exited to date – and actions to drive further growth in converted stores.

A key mitigating action under an extreme downside scenario would be for the Group to exit the French business in full through a liquidation or administration process. This could immediately stem any cash losses and their associated cash outflows from the Group's forecasts and would discharge most of the liabilities of the French business, further reducing forecast cash outflows. This would leave the Group with a strong, cash generative UK business and provide significant headroom on the Group's financial covenants.

Having considered these matters, the Directors have a reasonable expectation that the Group has adequate resources to continue in operational existence for at least 17 months from the date of approval of these financial statements. Accordingly, the financial statements have been prepared on a going concern basis.

2.6 Revenue

Revenue represents the amount receivable from customers for goods and services, exclusive of VAT and discounts.

The Group has recognised revenue in accordance with IFRS 15. The standard requires revenue to be recognised when goods or services are transferred to customers and the entity has satisfied its performance obligations under the contract, and at an amount that reflects the consideration to which an entity expects to be entitled in exchange for those goods or services.

The Group's revenue comprises of:

- Food and beverage sales at restaurants with one performance obligation that is satisfied when control is transferred to the customer at the point of sale, which is usually when payment is received, and no contract assets or contract liabilities are created. The Group also generates revenue with third-party delivery partners, which is payable the week after the revenue was recorded. Revenue comprises the fair value of the consideration received or receivable for the sale of goods and provision of services in the ordinary course of the Group's activities. Revenue is shown net of sales/value added tax, returns and discounts; and

- Franchise fees from the Group's role as franchisor in the UK, France, and Middle East. Revenue comprises ongoing royalties based on the sales results of the franchisee and up-front initial site fees. Royalty revenue is accrued in line with reported sales performance once revenue can be reliably measured. Upfront initial site fees are recognised on opening of the associated franchisee restaurant.

The Group operates a loyalty scheme for customers which entitles the customer to free products after a specified number of purchases. IFRS 15 requires entities to recognise a liability for the provision of these products as the customer, in effect, pays the Group in advance for future goods. The Group has not recognised this liability as the value is not considered material.

Other revenue comprises rental income on subleased properties and bonus income in respect of certain commercial contracts.

2.7 Employee benefits

Short-term benefits

Salaries, wages, paid annual leave and sick leave, bonuses and non-monetary benefits are accrued in the period in which the associated services are provided by employees of the Group.

Defined contribution plan

Contributions to defined contribution schemes are charged to the consolidated statement of comprehensive income in the year to which they relate.

2.8 Share-based payments

A transaction is accounted for as a share-based payment where the Group receives services from employees and Directors and pays for these in shares or similar equity instruments.

The Group makes equity-settled share-based payments to certain employees and Directors. Equity-settled share-based schemes are measured at fair value (excluding the effect of non-market-based vesting conditions) at the date of grant, measured by use of an appropriate valuation model.

The fair value determined at the grant date of the equity-settled share-based payment is recognised as an expense in the statement of comprehensive income on a straight line basis over the vesting period.

The vesting is dependent on achievement of specific performance conditions for the 2024, 2025 and 2026 financial years. The share-based payment expense will be modified if it is determined that these performance conditions will not be met.

Share options are forfeited when an employee ceases to be employed by the Group unless determined by the Board to be a 'Good Leaver'. A participant who ceases employment by reason of death, injury, ill-health or disability is also deemed a good leaver.

2.9 Current and deferred tax

Tax is recognised in profit or loss except that a charge attributable to an item of income and expense recognised as other comprehensive income or to an item recognised directly in equity is also recognised in other comprehensive income directly in equity respectively.

The current income tax charge is calculated on the basis of tax rates and laws that have been enacted or substantively enacted by the balance sheet date in the countries where the Group operates and generates income.

Deferred tax balances are recognised where the carrying amount of an asset or liability in the consolidated statement of financial position differs from its tax base, except for differences arising on:

- the initial recognition of goodwill;
- the initial recognition of an asset or liability in a transaction which is not a business combination and at the time of the transaction affects neither accounting or taxable profit; and
- investments in subsidiaries and jointly controlled entities where the Group is able to control the timing of the reversal of the difference and it is probable that the difference will not reverse in the foreseeable future.

Recognition of deferred tax assets is restricted to those instances where it is probable that taxable profit will be available against which the difference can be utilised.

The amount of the asset or liability is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the deferred tax liabilities or assets are settled or recovered. Deferred tax balances are not discounted.

Deferred tax assets and liabilities are offset when the Group has a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority on either:

- the same taxable group company; or
- different company entities which intend either to settle current tax assets and liabilities on a net basis, or to realise the assets and settle the liabilities simultaneously, in each future period in which significant amounts of deferred tax assets and liabilities are expected to be settled or recovered.

2.10 Alternative performance measures ("APMs")

The Group has identified certain measures that it believes will assist the understanding of the performance of the business. These APMs are not defined or specified under the requirements of IFRS. The Group believes that these APMs, which are not considered to be a substitute for, or superior to, IFRS measures, provide stakeholders with additional useful information on the underlying trends, performance and position of the Group and are consistent with how business performance is measured internally.

The Group's APMs are: system sales, like for like ("LFL") revenue growth/(decline), Adjusted EBITDA (Pre-IFRS), and net cash/(debt).

System sales represent the sum of all sales (excluding VAT) made by both franchised and corporate stores to consumers in UK, France and the UAE.

Like-for-like revenue growth compares revenue for the current period with the corresponding prior period, for sites that have traded throughout both periods. Sites opened, closed or disposed of during either period are excluded until they have completed a full comparable period of trading. LFL revenue is an alternative performance measure, not defined under IFRS, and may not be comparable with similarly titled measures used by other companies. The Directors consider it a key indicator of the underlying trading performance of the Group's estate.

The Directors use Adjusted EBITDA as a primary KPI in managing the business. Adjusted EBITDA is defined as statutory operating profit before interest, tax, depreciation and amortisation (before application of IFRS 16 and excluding exceptional costs), includes other income, and reflects the underlying trade of the Group. The Directors believe this measure gives a more relevant indication of the underlying trading performance of the Group and is also the measure used by the banks for the purposes of assessing covenant compliance.

Net debt defined as net debt / cash, cash equivalent and cash in transit (including card receipts), excluding lease liabilities arising from application of IFRS 16. The directors consider this more accurately reflect the underlying net debt of the Group.

2.11 Intangible assets

Goodwill

Goodwill represents the difference between amounts paid on the cost of a business combination and the acquirer's interest in the fair value of the Group's share of its identifiable assets and liabilities of the acquiree at the date of acquisition. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. Goodwill is tested for impairment on an annual basis.

Other intangible assets

Intangible assets are initially recognised at cost. After recognition, under the cost model, intangible assets are measured at cost less any accumulated amortisation and any accumulated impairment losses. Amortisation is charged so as to allocate their cost over their estimated useful life on a straight line basis. Computer software assets have a finite useful life, which is determined to be 3 years.

2.12 Property, plant and equipment

Items of property, plant and equipment are initially recognised at cost. As well as the purchase price, cost includes directly attributable costs.

Depreciation is charged so as to allocate the cost of assets less their residual value over their estimated useful lives, using the straight-line method.

Depreciation is provided on the following basis, which is reviewed at each balance sheet date:

Short-term leasehold property	- over the lease term
Plant and machinery	- over 5 years
Fixtures and fittings	- over 3 years

2.13 Leases

Right-of-use assets

The Group recognises a right-of-use asset at the lease commencement date. Right-of-use assets are initially measured at the same amount as the lease liability, reduced for any lease incentive received. Subsequently, right-of-use assets are amortised on a straight line basis over the remaining term of the lease and are assessed for impairment at each balance sheet date. The majority of leases are covered by the Landlord and Tenant Act 1954 which gives the right to extend the lease beyond the termination date. The Group expects to extend the majority of leases covered by the Landlord and Tenant Act 1954. This extension period is not included within the lease term as the termination date cannot be determined.

Lease liabilities

At the commencement date of the lease, the Group recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed lease payments less any lease incentives receivable. In calculating the present value of lease payments, the Group uses its incremental borrowing rate at the lease commencement date because the interest rate implicit in the lease is not readily determinable. Where the Group expects to extend the leases covered by the Landlord and Tenant Act 1954, the extension period is not included within the lease term as the termination date cannot be determined and these are not reasonably certain.

Subsequently, lease liabilities are increased to reflect the interest cost on the liability and reduced for the lease payments made, which are recognised on a straight-line basis over the term of the lease. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, for example a rent review or a change in the lease term.

When a lease liability is remeasured, the Group adjusts the carrying amount of the liability to reflect the payments to be made over the revised term, which are discounted at a revised discount rate. An equivalent adjustment is made to the carrying value of the right-of-use asset, with the revised carrying amount being depreciated over the remaining (revised) lease term. Lease payments which are variable in nature and are not linked to any index or rate are expensed in the period to which they relate.

2.14 Impairment

Assets that are subject to depreciation or amortisation are assessed at each balance sheet date to determine whether there is any indication that the assets are impaired.

For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash- generating units or CGUs). Each site is considered to be a CGU in its own right.

Goodwill arising on the acquisition of Chilango Ltd has been allocated to individual CGUs based on the forecasted EBITDA expected to be generated from each CGU at the date of acquisition.

Goodwill arising on the acquisition of the Fresh Burritos group has been allocated to the group of CGUs comprising all the acquired Fresh Burritos sites, which is the lowest level at which goodwill is monitored for internal management purposes.

Other assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's (or CGU's) fair value less costs to sell and value in use. Non-financial assets that have been previously impaired are reviewed at each balance sheet date to assess whether there is any indication that the impairment losses recognised in prior periods may no longer exist or may have decreased.

2.15 Inventories

Inventories are initially recognised at cost, and subsequently at the lower of the cost and net realisable value. Cost comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Inventories are measured on a first-in-first-out basis.

2.16 Cash and cash equivalents

Cash is represented by cash in hand and deposits with financial institutions repayable without penalty on notice of not more than 24 hours. Cash equivalents are highly liquid investments that mature in no more than three months from the date of acquisition and that are readily convertible to known amounts of cash with insignificant risk of change in value. Payments taken from customers on debit and credit cards are recognised as cash.

2.17 Valuation of investments

Investments in subsidiaries are measured at cost less accumulated impairment. Income is recognised from these investments only in relation to distributions receivable from post-acquisition profits. Distributions received in excess of post-acquisition profits are deducted from the cost of the investment.

2.18 Operating segments

Operating segments are reported in a manner consistent with the internal reporting provided to the Chief Operating Decision-Maker (“CODM”). The CODM has been identified as the management team including the Chief Executive Officer and Chief Financial Officer.

The CODM reviews the Group's operations on a geographic basis and has identified the United Kingdom and France as the Group's two operating segments. These operating segments have been determined to be the Group's reportable segments under IFRS 8, as the CODM assesses performance and allocates resources separately between the UK and French operations. Further information on the Group's reportable segments is provided in note 4.

2.19 Equity instruments

Financial instruments issued by the Group are treated as equity only to the extent that they do not meet the definition of a financial liability. The Group’s ordinary shares are classified as equity instruments.

2.20 Financial instruments

The Group does not trade in financial instruments and all such instruments arise directly from operations.

Financial assets

Financial assets held at amortised cost are trade and other receivables and cash. All trade and other receivables are initially recognised at transaction value, as none contain in substance a financing transaction.

Trade receivables are all due for settlement within one year. Due to their short-term nature, the Directors consider the carrying amount of trade and other receivables to equal their fair value.

Fees paid on the establishment of loan facilities are recognised as transactional costs of the loan and the fee is capitalised as a prepayment for liquidity services and amortised straight line over the period of the facility to which it relates.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting year for objective evidence of impairment.

Interest income is recognised in the Statement of comprehensive income and is included in the "finance income" line item.

Financial liabilities

Financial liabilities held at amortised cost include trade and other payables, lease liabilities and borrowings. Trade and other payables are initially recognised at transaction value as none represent a financing transaction. They are only derecognised when they are extinguished.

There are no material differences between the carrying values of financial assets and liabilities held at amortised cost and their fair values.

Financial assets and liabilities are offset and the net amount reported in the consolidated statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously. Interest payable is recognised in the Statement of comprehensive income and is included in the 'finance expenses' line item.

2.21 Financial risk

The Group's activities expose it to a variety of financial instrument risks. The risk management policies employed by the Group to manage these risks are detailed below. The primary objectives of the financial instrument risk management function are to establish risk limits and then ensure exposure to risks remains within these limits.

Interest rate risk

The Group is exposed to interest rate risk as the Group's borrowings have an interest rate of SONIA plus a margin.

Commodity price risk

The Group is exposed to movements in wholesale prices of food, drinks and energy. The Group sources the majority of its products in Europe, however there is the risk of disruption to supply caused by external factors, for example political or economic factors. The Group always benchmarks any cost changes and typically fixes prices for periods of between three and 12 months. The Group hedges energy prices where possible.

Capital risk

The Group manages the capital structure to ensure it will be able to operate as a going concern, whilst maximising the return to shareholders. The Directors look to optimise the debt-to-equity balance and may adjust the capital structure by paying dividends to shareholders, returning capital to shareholders, issue new shares or sell assets to reduce debt. The Directors intend to reduce the Group's current leverage ratios

Credit risk

The Group's credit risk is attributable to trade and other receivables and cash with the carrying amount best representing the maximum exposure to credit risk. The Group places its cash only with banks with high-quality credit standings. Trade and other receivables relate to day-to-day activities which are entered into with creditworthy counterparties.

Liquidity risk

Liquidity risk is the risk that the Group may encounter difficulties in meeting its financial obligations as they fall due. They may arise from the Group's management of working capital, finance charges and principal repayments on its debt. Following the acquisition of the Fresh Burritos group, the Group's liquidity risk profile includes the working capital and funding requirements of the French operation.

The Group has access to a £12.5m revolving credit facility held with Santander UK plc, of which £1.9m is undrawn at the year-end.

The Directors regularly review cash flow forecasts to determine whether the Group has sufficient reserves to meet obligations and take advantage of opportunities.

Maturity analysis

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	Total
	£	£	£	£	£
28 December 2025					
Trade and other payables	12,706,121	-	-	-	**12,706,121**
Lease liabilities (undiscounted)	7,193,415	6,500,013	14,998,718	15,932,858	**44,625,004**
Borrowings	12,190,476	406,926	-	-	**12,597,402**
	32,090,012	**6,906,939**	**14,998,718**	**15,932,858**	**69,928,527**
29 December 2024					
Trade and other payables	12,180,782	-	-	-	**12,180,782**
Lease liabilities (undiscounted)	8,514,332	6,998,525	16,087,227	16,610,119	**48,210,203**
Borrowings	-	7,770,634	585,777	77,112	**8,433,523**
	20,695,114	**14,769,159**	**16,673,004**	**16,687,231**	**68,824,508**

2.22 Provisions for liabilities

Provisions are made where an event has taken place that gives the Group a legal or constructive obligation that probably requires settlement by a transfer of economic benefit, and a reliable estimate can be made of the amount of the obligation.

Provisions are charged as an expense to profit or loss in the year that the Group becomes aware of the obligation, and are measured at the best estimate at the balance sheet date of the expenditure required to settle the obligation, taking into account relevant risks and uncertainties.

When payments are eventually made, they are charged to the provision carried in the Statement of financial position.

2.23 Foreign currency

Items included in the financial statements of each Group entity are measured using the currency of the primary economic environment in which the entity operates (the "functional currency"). The consolidated financial statements are presented in Sterling (£), which is the Company's functional currency and the Group's presentation currency.

Transactions denominated in currencies other than the functional currency are translated into the functional currency at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are retranslated into the functional currency at the exchange rate ruling at that date. Exchange differences arising on the settlement or retranslation of monetary items are recognised in profit or loss.

On consolidation, the assets and liabilities of the Group's France operations, whose functional currency is the Euro, are translated into Sterling at the exchange rate ruling at the balance sheet date. Income and expenses of these operations are translated into Sterling at average exchange rates for the period, unless exchange rates fluctuate significantly during the period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising from this translation, together with differences arising on the translation of intragroup loans that form part of the net investment in the France operations, are recognised in other comprehensive income and accumulated in the foreign currency translation reserve within equity. On disposal of a foreign operation, the cumulative amount recognised in the translation reserve relating to that operation is reclassified to profit or loss.

3. CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

The Group makes certain judgements, estimates and assumptions regarding the future. Estimates and judgements are continually evaluated based on historical experience and other factors, including the expectations of future events that are believed to be reasonable under the circumstances. Judgements that have been made by the directors in the application of these accounting policies that fall within the scope of IAS 1 paragraph 125 have been discussed below.

Determining the discount rate for IFRS 16

At the commencement date of property leases the lease liability is calculated by discounting the lease payments. The discount rate used should be the interest rate implicit in the lease. However, if that rate cannot be readily determined, which is generally the case for property leases, the lessee's incremental borrowing rate is used. This being the rate that the individual lessee would have to pay to borrow the funds necessary to obtain an asset of similar value to the right-of-use asset in a similar economic environment with similar terms, security and conditions.

The Directors carried out a review of the historic borrowing rates of the Group and historic bond rates together with analysis of the lease terms. They concluded that the use of a single discount rate applied to all leases signed prior to 2 January 2022 is a reasonable approach. Based on this analysis a discount rate of 3.4 percent has been applied. Subsequently, discount rates have been applied on a lease-by-lease basis, in order to reflect the increasing risk-free rate during this period. These discount rates range from 4.9 percent to 7.3 percent.

For the lease liabilities at 28 December 2025 a 0.1 percent increase in the discount rate would reduce the total liabilities by £121,794 (29 December 2024: £140,000), which is not considered to be material. Therefore this is not considered to be a key source of estimation uncertainty.

Impairment of goodwill, right of use assets and property, plant and equipment

Goodwill, right-of-use assets and property, plant and equipment are reviewed for impairment when there is an indication that the assets might be impaired by comparing the carrying value of the assets with their recoverable amounts. The recoverable amount of an asset or cash generating unit (CGU) is determined based on value-in-use calculations prepared on the basis of the Directors' estimates and assumptions. Individual sites are viewed as separate CGUs.

The key assumptions in the value-in-use calculations include the growth rates of revenue and expenses, together with the Group's weighted average cost of capital (WACC), which is used as a discount rate. Projected cash flows are based on financial budgets approved by the Board covering a four year period. Beyond this four year period, projected cash flows have been based on a 3.0% growth rate until the end of the lease terms. The value-in-use calculations also factor in the cost of maintaining the assets, set at £21,500 per annum for each site based on historic averages, and the impact of direct overhead costs.

For the leases held in Chilango Ltd, a further key assumption in the value-in-use calculations was that the leases with terms ending in less than five years would be able to be renewed with terms of 10 years, in line with the term lengths of leases held by Mexican Grill Ltd. If this assumption was incorrect, the maximum potential impact on the impairment charge for the 52 weeks ended 28 December 2025 is an increase of £1,545,701 (29 December 2024: increase of £880,000).

An independent external consultancy was engaged to calculate the Group's post-tax WACC. As at 28 December 2025, the pretax WACC was determined to be 14.6% (29 December 2024: 15.0%). An increase in the discount rate of 1.0 percent would increase the impairment charge for the 52 weeks ended 28 December 2025 by £88,997 for UK and France (29 December 2024: £33,000), which is not considered to be material.

In the 52 weeks ended 28 December 2025, goodwill of £4,718,501, property, plant and equipment assets of £14,571,044 and right-of-use assets of £29,941,271 have been tested for impairment.

For the UK cash-generating units, management performed an impairment assessment by comparing the net present value ("NPV") of forecast future cash flows with the carrying value of the related assets. Based on this assessment, impairment charges of £5,930 were recognised against goodwill, £1,265,924 against property, plant and equipment assets and £3,529,292 against right-of-use assets. The impairment recognised reflects those sites where forecast cash flows did not provide sufficient headroom over the carrying value of the assets.

During 2026, management approved the closure of all remaining Fresh Burritos sites in France. As a result, all property, plant and equipment and right-of-use assets relating to the six Fresh Burritos sites were fully written off, resulting in impairment charges of £406,559 against property, plant and equipment assets and £1,821,434 against right-of-use assets.

For the Tortilla-converted sites in France, the recoverable amount was determined using the net present value of forecast future cash flows. An impairment review identified no headroom between carrying value and recoverable amount and, accordingly, an impairment charge of £2,885,290 was recognised against goodwill.

As a result of the impairment assessments performed during the period, total impairment charges recognised were £2,891,220 against goodwill (note 15) (52 weeks ended 29 December 2024: £684,757), £1,672,483 against property, plant and equipment assets (note 16) (52 weeks ended 29 December 2024: £598,291) and £5,350,726 against right-of-use assets (note 13) (52 weeks ended 29 December 2024: £158,538), giving a total impairment charge of £9,914,429 for the 52 weeks ended 28 December 2025.

As these assumptions have a significant risk of resulting in a material adjustment to the carrying amounts of assets and liabilities within the next financial year, these are considered to be key sources of estimation uncertainty.

Useful economic lives of property, plant and equipment

The depreciation charge is dependent upon the assumptions used regarding the useful economic lives of assets. A 10 percent increase in average useful economic lives would result in a £418,000 decrease in depreciation in the 52 weeks ended 28 December 2025 (29 December 2024: £369,000). This is not considered to be material and therefore this judgement is not deemed to be a key source of estimation uncertainty.

Share-based payments

The charge for share-based payments is calculated according to the methodology described in note 8. The Black-Scholes model requires subjective assumptions to be made including the volatility of the Company's share price, fair value of the shares and the risk free interest rates.

The vesting of certain share-based payments is dependent on the achievement of specific performance and expansion targets over the three financial years 2024, 2025 and 2026. Assumptions have been made regarding the likelihood of these criteria being met.

4. REVENUE

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	£	£
Sale of goods	72,244,037	66,898,225
Franchise royalty income	1,745,900	1,101,264
	73,989,937	**67,999,489**
Geographical analysis - revenue		
UK	67,602,945	64,593,706
France	5,889,267	3,003,338
Rest of World	497,725	402,445
	73,989,937	**67,999,489**
Geographical analysis - non-current assets		
UK	35,008,098	45,456,164
France	4,501,692	6,214,726
	39,509,790	**51,670,890**

IFRS 8 Operating Segments requires operating segments to be based on the Group's internal reporting to its Chief Operating Decision Maker ("CODM"). The CODM is regarded as the management team of the Chief Executive Officer and the Chief Financial Officer.

The Group has five income streams:

- UK sales from Group-operated restaurants
- UK franchise sales from franchised restaurants
- Middle East franchise sales from franchised restaurants
- France sales from Group-operated restaurants
- France franchise sales from franchised restaurants

The Board has determined that the Group has two reportable operating segments on a geographic basis: UK and France. The franchise income streams above have a minimal cost and asset base which cannot be accurately determined and are therefore not considered to be material and separable segments; Middle East franchise income is managed within, and reported to the Board as part of, the UK segment.

The Board reviews Adjusted EBITDA as the key measure of each segment's profit or loss. Adjusted EBITDA is defined as profit/(loss) from operations before depreciation, amortisation, impairment, pre-opening and site conversion costs, share-based payment expense, exceptional items, non-trading costs, foreign exchange gains/losses and other income (see note 2.10). There is no material trading between the UK and France segments and no inter-segment revenue has therefore been eliminated on consolidation.

For the 52 weeks ended 28 December 2025	UK £	France £	Total £
Total segmental revenue	68,100,670	5,889,267	73,989,937
Revenue from external customers	**68,100,670**	**5,889,267**	**73,989,937**
Loss before tax	**(2,468,893)**	**(12,284,469)**	**(14,753,362)**

For the 52 weeks ended 29 December 2024	UK £	France £	Total £
Total segmental revenue	64,996,151	3,003,338	67,999,489
Revenue from external customers	**64,996,151**	**3,003,338**	**67,999,489**
Loss before taxation	**(1,662,017)**	**(1,654,952)**	**(3,316,969)**

A reconciliation of total segment loss from operations is set out below.

Reconciliation of loss from operations before tax	52 weeks ended 28 December 2025 £	
	UK	France
Revenue	68,100,670	5,889,267
Cost of sales	(16,290,590)	(2,032,500)
Gross profit	**51,810,080**	**3,856,767**
Depreciation and amortisation	(8,763,397)	(1,355,546)
Impairment expense	(4,838,483)	(5,075,946)
Other administrative expenses	(38,999,840)	(8,978,386)
Other income	526,050	-
Operating loss	**(545,050)**	**(11,553,111)**
Finance income	14,139	-
Finance expenses	(1,937,585)	(731,358)
Loss before tax	**(2,468,893)**	**(12,284,469)**

Reconciliation of loss from operations before tax	52 weeks ended 29 December 2024 £	
	UK	France
Revenue	64,996,151	3,003,338
Cost of sales	(15,110,770)	(788,478)
Gross profit	**49,885,381**	**2,214,860**
Depreciation and amortisation	(8,135,294)	(630,104)
Impairment expense	(1,441,586)	-
Other administrative expenses	(40,041,935)	(3,037,826)
Operating loss	**266,566**	**(1,453,070)**
Other income	-	-
Finance income	83,999	-
Finance expenses	(2,012,582)	(201,882)
Loss before tax	**(1,662,017)**	**(1,654,952)**

5. OPERATING PROFIT

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	£	£
Depreciation and amortisation	9,894,386	8,762,397
Impairment of right-of-use assets	5,350,726	158,538
(Gain) / loss on disposal of non-current assets	(366,151)	126,690
Impairment of fixed assets	1,672,483	598,291
Impairment of goodwill	2,891,220	684,757
Variable lease payments	1,080,709	418,846
Inventories - amounts charged as an expense	18,323,090	15,899,248
Share option credit	(4,095)	(45,393)
Pre-opening and sites conversion costs (non-GAAP)*	754,117	397,243
Exceptional items (non-GAAP)*	834,646	1,522,532
Bank arrangement fee amortisation	67,551	18,540
Auditors remuneration:		
Audit fees 2025	291,600	165,610
Audit fees 2024	35,000	-
Other assurance services	6,300	17,500

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	£	£
Pre-opening costs	754,117	397,243
Number of new launches and site conversions in period	8	3

* Pre-opening costs and exceptional items were as follows:

Nature of Pre-opening & Exceptionals	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
Pre-opening costs	£	£
France site conversions (seven Fresh Burritos sites)	408,386	-
CPK opening in France	303,212	312,681
Leeds store opening (opened in January 2026)	42,519	84,562
	754,117	**397,243**
Exceptional costs	£	£
UK store closures	250,752	159,292
Asset disposal on France site conversions	309,135	-
Other*	154,759	77,737
Acquisition of Fresh Burritos	-	1,285,503
Audit over-run	120,000	-
	834,646	**1,522,532**
Total	**1,588,763**	**1,919,775**

* Other includes non-recurring legal and professional fees, dual running costs and other one-off items

6. EMPLOYEES

The average monthly number of employees, including the directors, during the period was as follows:

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	No.	No.
Operations staff	1,032	1,127
Head office staff	63	61
	1,095	**1,188**
	£	£
Wages and salaries	23,133,700	21,026,142
Social security costs	2,427,258	1,462,167
Pension costs	356,503	279,981
Share based expense /(credit) (note 8)	(4,095)	(45,393)
	25,913,366	**22,722,897**

Directors' remuneration, included in staff costs, was as follows:

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	£	£
Short-term employee benefits	650,719	615,000
Post-employment benefits	2,592	3,000
	653,311	**618,000**

7. DIRECTORS' REMUNERATION AND KEY MANAGEMENT INFORMATION

The highest paid Director received remuneration of £229,000 (2024: £223,000).

The number of Directors receiving pension contributions was 3 (2024: 2).

The share-based payment credit arising from the Directors' participation in the Company's LTIP scheme was £211,648 (2024:£160,000).

There are no Key Management Personnel other than the Directors. Further information about the remuneration of individual Directors is provided in the Annual Remuneration report on pages 61 to 64.

8. SHARE BASED PAYMENTS

A transaction is accounted for as a share-based payment when services are paid for in shares or similar equity instruments.

The Group issues equity-settled share-based payments to Directors and certain members of staff. Equity-settled share-based schemes are measured at fair value at the date of grant, using the Black Scholes valuation model. The expected life used in the model is adjusted, based on Management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

The fair value determined at the grant date of the equity-settled share-based payment is expensed on a straight-line basis over the vesting period, based on the Group's estimate of shares that will eventually vest.

The Tortilla Mexican Grill plc Long-Term Incentive Plan 2021 ("LTIP")

Under the LTIP, options were awarded to Directors and members of the senior management team. 50 percent vests after three years and the remaining 50 percent vests after the fourth year. The vesting is dependent on achievement of specific Adjusted EBITDA targets for the 2024 and 2025 financial years. The Adjusted EBITDA target for 2024 has not been met, similarly the target for 2025 has not been met. Therefore, the options that were due to vest after three years have been forfeited. The CSOP options carry an exercise price of 181 pence and were granted on 8 October 2021. The CSOP options will expire on 8 October 2031. As at 28 December 2025, 69,722 CSOP options remain outstanding under this award; the associated market value options (Tranche 1 and Tranche 2) have all lapsed or been forfeited.

In the 52 weeks ended 1 January 2023, 205,714 nil-cost options were awarded under the LTIP to Directors which will vest on 1 December 2024. The vesting is dependent on the Directors' continuous employment. The options will expire on 1 December 2024. As at 28 December 2025, 205,714 of these options remain outstanding.

In the 52 weeks ended 31 December 2023, 600,387 nil-cost options were awarded under the LTIP to Directors and members of the senior management team which will vest on 10 May 2026. The vesting of the awards made to Directors is dependent on achievement of specific performance and expansion targets over the three financial years 2023, 2024 and 2025, as well as the Directors' continuous employment. The vesting of the awards made to members of the senior management team is dependent on continuous employment only. The options will expire on 10 May 2026. As at 28 December 2025, 343,579 of these options remain outstanding.

In the 52 weeks ended 29 December 2024, 1,166,778 nil-cost options and 119,081 market value options were awarded under the LTIP to Directors and members of the senior management team which have a vesting period of 36 months. The vesting of the awards made to Directors is dependent on achievement of specific expansion targets over the three financial years 2024, 2025 and 2026, as well as the Directors' continuous employment. The vesting of the awards made to members of the senior management team is dependent on continuous employment only. The nil-cost options will expire on 1 May 2027 *(NB: the workbook's vesting-date field for this tranche shows 2 May 2027 — confirm which is correct before finalising)* and 29 July 2027 respectively, in line with their vesting dates. As at 28 December 2025, 551,428 options expiring 1 May 2027 and 217,392 options expiring 29 July 2027 remain outstanding. The market value options are subject to a separate exercise price and window under the scheme rules and will expire on 2 January 2028. As at 28 December 2025, all 119,081 market value options remain outstanding.

In the 52 weeks ended 28 December 2025, 1,193,609 nil-cost options were awarded under the LTIP to Directors and members of the senior management team which have a vesting period of 36 months. The vesting of the awards made to Directors is dependent on achievement of specific expansion targets over the three financial years 2025, 2026 and 2027, as well as the Directors' continuous employment. The vesting of the awards made to members of the senior management team is dependent on continuous employment only. The options will expire on 23 June 2028. As at 28 December 2025, all 1,193,609 options remain outstanding, with no forfeitures arising during the period.

Awards are forfeited if the employee leaves the Group before the awards vest, except under the circumstances where the employee is considered a 'Good Leaver'.

Details of the share awards outstanding are as follows:

	28 December 2025	28 December 2025	29 December 2024	29 December 2024
	Number of share options	Weighted average exercise price	Number of share options	Weighted average exercise price
	#	£	#	£
Outstanding at beginning of the period	2,455,232	0.5	2,245,991	1.2
Granted during the period	1,193,609	-	1,285,859	-
Exercised during the period	-	-	-	-
Forfeited during the period	(948,316)	-	(1,076,618)	1.5
Outstanding at the end of the period	**2,700,525**	**0.1**	**2,455,232**	**0.5**

The awards outstanding at the end of 28 December 2025 have a remaining weighted average contractual life of nineteen months (29 December 2024: nineteen months) and an exercise price of £0.41 (29 December 2024: £0.46). At the end of 28 December 2025 nil awards were exercisable (29 December 2024: 543,392).

The Group recognised total credits related to the above equity-settled share-based payment transactions in the form of options during 52 weeks ended 28 December 2025 of £4,095 (29 December 2024: credit of £45,393) and related employer National Insurance charge of £33,746 (29 December 2024: £14,743).

The fair values were calculated using a Black Scholes model. The inputs used for fair valuing awards granted during the period were as follows:

	28 December 2025		29 December 2024	
	Jun-25	May-24	Jul-24	Dec-24
Share price at grant date (pence)	42p	47p	53p	51p
Exercise price (pence)	-	-	-	52p
Expected volatility (%)	47%	58%	57%	53%
Option life (years)	3	3	3	3
Risk free interest rate (%)	3.95%	4.11%	3.96%	4.12%

9. INTEREST RECEIVABLE

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	£	£
Bank interest income	**14,139**	**83,999**

10. INTEREST PAYABLE AND SIMILAR EXPENSES

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	£	£
Bank interest payable	791,800	477,781
Finance cost on lease liabilities	1,877,143	1,736,683
	2,668,943	**2,214,464**

11. TAXATION

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
Current tax		
UK corporation tax on profits for the period	-	-
France corporation tax on profits for the period	-	26,779
Adjustments in respect of previous periods	-	-
Total current tax	**-**	**26,779**
Deferred tax		
Current year	366,355	-
Origination and reversal of timing differences	(9,721)	(17,277)
Total deferred tax	**356,634**	**(17,277)**
Total tax charge for the period	**356,634**	**9,502**

Factors affecting tax charge for the period

The tax assessed for the period differs from the standard rate of corporation tax in the UK and France of 25%. The differences are explained below:

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
Loss on ordinary activities before tax	(14,753,362)	(3,316,969)
Loss on ordinary activities multiplied by standard rate of corporation tax in the UK and France of 25% (2024 UK and France: 25%):	(3,688,340)	(829,242)
Effects of:		
Expenses not deductible for tax purposes	2,814,770	415,580
Capital allowances in excess of depreciation	366,355	140,616
Other timing differences, primarily arising from operating lease accounting		(157,893)
Movement in unprovided deferred tax	873,570	440,441
Adjustments to tax charge in respect of prior periods	(9,721)	-
Total tax charge for the period	**356,634**	**9,502**

At 28 December 2025, the Group had unused carried forward tax losses of £8,979,179 (31 December 2024: £5,255,809). £8,661,129 of carried forward tax losses relate to France group entities, (29 December 2024: £1,768,479) which have not been recognised as a deferred tax asset as the timing of utilisation is uncertain. The remainder are held with UK group entities and are expected to be fully utilised in future periods. The rate used to calculate the deferred tax balances at 28 December 2025 is 25% (29 December 2024: 25%).

12. EARNINGS / (LOSS) PER SHARE

Basic earnings/(losses) per share is calculated by dividing the loss attributable to equity shareholders by the weighted average number of shares outstanding during the period.

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
Loss used in calculating basic and diluted loss	(15,109,996)	(3,326,471)
Weighted average number of shares for the purpose of basic and diluted earnings per share	38,664,031	38,664,031
Basic and diluted loss per share (pence)	**(39.1)**	**(8.6)**

In accordance with IAS 33, diluted EPS must be presented when a company could be required to issue shares that would decrease earnings per share or increase the loss per share. However, IAS 33 stipulates that diluted EPS cannot show an improvement compared to basic EPS. In this case, as the inclusion of potential ordinary shares would result in an improvement as they are anti-dilutive, they have been disregarded in the calculation of diluted EPS.

13. LEASES

Right-of-use assets

£	
At 01 January 2024	**29,520,494**
Additions	4,486,940
Arising from acquisition	4,094,256
Disposals	(1,665,249)
Depreciation	(4,685,847)
Impairment	(158,538)
At 29 December 2024	**31,592,056**
Additions	3,815,971
Disposals	(156,412)
Depreciation	(5,333,400)
Impairment	(5,350,726)
At 28 December 2025	**24,567,489**

Lease liabilities

£	
At 01 January 2024	**(35,203,839)**
Additions	(4,487,023)
Arising from acquisition	(4,642,972)
Interest expense	(1,735,062)
Lease payments	6,853,314
Disposals	1,665,249
At 29 December 2024	**(37,550,333)**
Additions	(3,815,971)
Interest expense	(1,877,143)
Lease payments	7,623,278
Disposals	111,694
At 28 December 2025	**(35,508,475)**

The right-of-use asset relating to land and buildings in the UK and France had a gross carrying amount of £60.3m as at 28 December 2025 (29 December 2024: £64.3m). Accumulated depreciation amounted to £35.7m (29 December 2024: £32.7m), resulting in a net book value of £24.6m as at 28 December 2025 (29 December 2024: £31.6m).

Differences arising on foreign exchange translation are considered immaterial.

Carrying amount by maturity of the Group lease liabilities

	Within 1 year	1 to 2 years	2 to 5 years	Over 5 years	More than 1 year	Total
	£	£	£	£	£	£
28 December 2025	6,655,823	5,978,718	12,564,902	10,309,032	28,852,652	35,508,475
29 December 2024	7,060,640	6,242,115	13,205,294	11,042,284	30,489,693	37,550,333

The Group has 30 (2024: 40) lease contracts that include variable lease payments in the form of revenue-based rent top-ups. The Group also has certain leases with lease terms of 12 months or less. The Group applies the 'short-term lease' and 'lease of low-value assets' recognition exemptions for these leases. In the 52 weeks ended 28 December 2025, the total expense arising from variable lease payments amounted to £1,080,709 (52 weeks ended 29 December 2024: £418,846).

The majority of UK leases are covered by the Landlord and Tenant Act 1954 which gives the right to extend the lease beyond the termination date. The majority of French leases are covered by similar legislation in France, governed primarily by the Code de commerce articles L145-1 to L145-60. The Group expects to extend the leases covered by the Landlord and Tenant Act 1954, however this extension period is not included within the lease term for the purposes of calculating the above lease liabilities because the termination date cannot be determined and these are not reasonably certain.

14. FINANCE LEASE RECEIVABLE

	52 weeks ended 28 December 2025	52 weeks ended 29 December 2024
	£	£
Current (due within one year)	92,500	-
Non-current (due after more than one year)	201,477	-
	293,977	-

The finance lease receivable represents the present value of future minimum payments receivable. The current portion represents amounts due within twelve months of the balance sheet.

15. INTANGIBLE ASSETS

	Computer software	Leasehold rights	Goodwill	Total
	£	£	£	£
Cost				
At 01 January 2024	15,500	-	2,624,886	2,640,386
Arising on acquisition	12,577	82,928	2,885,289	2,980,794
At 29 December 2024	**28,077**	**82,928**	**5,510,175**	**5,621,180**
Additions	16,917	-	-	16,917
Disposals	-	-	(106,917)	(106,917)
At 28 December 2025	**44,994**	**82,928**	**5,403,258**	**5,531,180**
Amortisation				
At 01 January 2024	13,347	-	-	13,347
Amortisation charge	4,563	9,482	-	14,045
Impairment	-	-	684,757	684,757
At 29 December 2024	**17,910**	**9,482**	**684,757**	**712,149**
Amortisation charge	4,227	29,936	-	34,163
Impairment	-	-	2,891,220	2,891,220
At 28 December 2025	**22,137**	**39,418**	**3,575,977**	**3,637,532**
Net book value				
At 28 December 2025	**22,857**	**43,510**	**1,827,281**	**1,893,648**
At 29 December 2024	10,167	73,446	4,825,418	4,909,031

Differences arising on foreign exchange translation are considered immaterial.

Goodwill

The components of goodwill comprise the amounts arising on acquisition of the following businesses:

	28 December 2025	29 December 2024
	£	£
Brewer Street	-	110,374
Brushfield Street	171,507	171,507
Chancery Lane	117,126	117,126
Croydon	104,577	104,577
Islington	-	5,930
London Bridge	543,801	543,801
London Wall	363,928	363,928
Manchester	526,342	522,886
Goodwill arising on acquisition of Chilango Ltd	1,827,281	1,940,129
Goodwill arising on the acquisition of Fresh Burritos	-	2,885,289
	1,827,281	**4,825,418**

At the acquisition date, goodwill is allocated to each CGU or group of CGUs expected to benefit from the combination.

Goodwill arising on the acquisition of Chilango Ltd has been allocated to individual CGUs based on the forecasted EBITDA expected to be generated from each CGU at the date of acquisition.

Goodwill arising on the acquisition of the Fresh Burritos group has been allocated to the group of CGUs comprising all the acquired Fresh Burritos sites, which is the lowest level at which goodwill is monitored for internal management purposes.

16. TANGIBLE ASSETS

	Long-term leasehold property	Plant and machinery	Fixtures and fittings	Total
	£	£	£	£
Cost				
At 1 January 2024	17,992,372	5,229,185	7,505,962	30,727,519
Additions	803,688	2,780,168	1,415,335	4,999,191
Arising on acquisition	-	1,395,405	220,110	1,615,515
Disposal	(432,889)	(120,192)	(63,798)	(616,879)
At 29 December 2024	**18,363,171**	**9,284,566**	**9,077,609**	**36,725,346**
Additions	110,402	3,022,488	1,116,890	4,249,780
Disposals	(383,713)	(1,065,135)	(112,777)	(1,561,625)
At 28 December 2025	**18,089,860**	**11,241,919**	**10,081,722**	**39,413,501**
Depreciation				
At 01 January 2024	9,562,954	3,060,866	3,983,898	16,607,718
Charge for the period	1,180,809	917,411	1,955,906	4,054,126
Arising from acquisition	-	624,503	161,094	785,597
Disposals	(510,015)	(81,909)	101,735	(490,189)
Impairment charge	527,152	54,119	17,020	598,291
At 29 December 2024	**10,760,900**	**4,574,990**	**6,219,653**	**21,555,543**
Charge for the period	1,808,524	1,115,821	1,602,479	4,526,824
Disposals	(330,814)	(757,323)	(100,388)	(1,188,525)
Impairment charge	933,397	579,982	159,103	1,672,482
At 28 December 2025	**13,172,007**	**5,513,470**	**7,880,847**	**26,566,324**
Net book value				
At 28 December 2025	**4,917,853**	**5,728,449**	**2,200,877**	**12,847,176**
At 29 December 2024	7,602,271	4,709,576	2,857,956	15,169,803

Differences arising on foreign exchange translation are considered immaterial.

17. INVENTORIES

	28 December 2025	29 December 2024
	£	£
Food and beverage for resale	550,095	547,753

There is no material difference between the replacement cost of inventories and the amounts stated above.

Total inventory recognised as an expense in the consolidated statement of comprehensive income during the period was £18,323,090 (52 weeks ended 29 December 2024: £15,899,248).

18. TRADE AND OTHER RECEIVABLES

	28 December 2025	29 December 2024
	£	£
Trade receivables	817,371	743,556
Other receivables	1,223,961	1,284,958
Prepayments and accrued income	1,178,713	1,270,959
Other taxation and social security	942,683	-
	4,162,728	**3,299,473**

Trade receivables, includes the following:

- Cash due from third party delivery providers and these are settled the week immediately following the week in which the sale was recorded;
- Cash due from debit and credit card sales, that are settled within a few days of the sale being recorded; and
- Amounts owed by the Group's franchise partners, which are due within 30 days of the end of the period.

Other receivables consist of deposits held by third parties, generally landlords, and franchise income accrued but not yet invoiced to third parties.

Other taxation and social security consist of VAT receivable relating to the French operations, representing amounts recoverable from the tax authorities.

The Group held no collateral against these receivables at the balance sheet dates. The Directors consider that the carrying amount of receivables are recoverable in full and that any expected credit losses are immaterial.

19. CASH AND CASH EQUIVALENTS

	28 December 2025	29 December 2024
	£	£
Cash at bank and in hand	1,608,931	2,760,960

Cash and cash equivalents comprise cash at bank, in hand and cash in transit. The fair value of cash and cash equivalents is the same as their carrying value.

i. Reconciliation to cash flow statement

The above figures reconcile to the amount of cash shown in the statement of cash flows at the end of the financial year as follows:

	28 December 2025	29 December 2024
	£	£
Balances as above	1,608,931	2,760,960
Bank overdraft (see note 21)	(1,913,795)	-
	(304,864)	**2,760,960**

20. TRADE AND OTHER PAYABLES

	28 December 2025	29 December 2024
	£	£
Trade payables	(5,109,121)	(4,664,955)
Other taxation and social security	(2,489,667)	(2,192,159)
Other payables	(1,821,015)	(1,535,772)
Accruals and deferred income	(3,286,318)	(3,787,896)
	(12,706,121)	**(12,180,782)**

21. LOANS AND BORROWINGS

	28 December 2025	29 December 2024
	£	£
Bank overdraft	(1,913,795)	-
Bank loans - falling due within one year	(10,276,681)	-
Bank loans – falling due after one year	(528,064)	(8,465,962)
Amortised issue costs	121,138	32,439
	(12,597,402)	**(8,433,523)**

In June 2025, the Group entered into a new financing arrangement with Santander UK plc to refinance and extend its debt facilities. The Company now has a new £12.5m Senior Facility Agreement maturing in June 2028, replacing the existing £10.0m facility which was due to mature in September 2026. The facility contains options to extend the term by one or two years. The new facility provides increased headroom, a longer maturity profile and greater flexibility to support the Group's next phase of growth. The facility accrues interest at rates of 2.75% - 4.00% plus SONIA. The facility is secured by a debenture over the assets of the Group and is presented net of capitalised amortised issue costs.

Arrangement fees of £121,138 were incurred as part of the refinancing and are being amortised to the Group consolidated statement of comprehensive income over the term of the facility. The loan balance is being recognised net of these arrangement fees.

As part of the Group's acquisition of Fresh Burritos group on 5 July 2024, thirteen bank loans totalling £1,335,928 were acquired. These loans are held across Société Générale S.A, BNP Paribas, LCL S.A (Credit Lyonnais) and Crédit Agricole. The term dates of these loans vary in length and are repayable over the period from 27 May 2025 to 12 July 2031, with interest rates ranging from 1 – 3%.

Refer to Note 2.5 Going Concern for further details regarding the loan arrangements.

22. DEFERRED TAXATION

	Deferred taxation liability
	£
At 1 January 2024	617,696
Charged to profit or loss	(17,277)
At 29 December 2024	**600,419**
Charged to profit or loss	356,634
At 28 December 2025	**957,053**

	28 December 2025	29 December 2024
	£	£
Accelerated capital allowances	(1,123,888)	(1,474,650)
Tax losses carried forward	79,512	874,231
Other short term timing differences	87,323	-
	(957,053)	(600,419)

23. SHARE CAPITAL

	28 December 2025	29 December 2024
	£	£
Allotted, called up and fully paid		
38,664,031 Ordinary shares of £0.01 each	386,640	386,640

Ordinary shares entitle the holder to participate in dividends and the proceeds on the winding up of the Company in proportion to the number of and amounts paid on the shares held. The fully paid ordinary shares have a par value of £0.01 and the Company does not have a limited amount of authorised capital.

24. RESERVES

Share premium account

The share premium account records the amount above the nominal value received for shares sold.

Share based payment reserve

The Group presents employee share options as an adjustment to own equity through this reserve until the point that the shares are awarded and cease to be conditional awards.

Translation reserve

The Group records exchange differences arising on the translation of foreign operations in the foreign currency translation reserve within equity. This reserve accumulates gains and losses resulting from the translation of the financial statements of foreign subsidiaries from their functional currencies into the Group's presentation currency. The balance in the reserve is reclassified to profit or loss upon the disposal or partial disposal of the related foreign operation.

Merger Reserve

The merger reserve represents the excess over nominal value of the fair value consideration for the business combination of Tortilla Mexican Grill plc and Mexican Grill Ltd during the Group's IPO. This was satisfied by the issue of shares in accordance with Section 612 of the Companies Act 2006.

Profit and loss account

The accumulated net profits and losses of the Group.

25. ANALYSIS OF NET DEBT

	At 29 December 2024	Cash flows	Loan drawdown	Loan repayment	Additions and disposals of leases	Finance expense	At 28 December 2025
	£	£	£	£	£	£	£
Cash at bank and in hand	2,760,960	(3,952,029)	2,800,000	-	-	-	1,608,931
Bank overdraft	-	(1,913,795)	-	-	-	-	(1,913,795)
Bank loans	(8,433,523)	21,148	(2,800,000)	461,217	-	67,551	(10,683,607)
Lease liabilities	(37,550,333)	7,623,278	-	-	(3,704,277)	(1,877,143)	(35,508,475)
Net debt	**(43,222,896)**	**1,778,601**	**-**	**461,217**	**(3,704,277)**	**(1,809,592)**	**(46,496,946)**

	At 31 December 2023	Cash flows	Amounts arising on acquisition of subsidiaries	Loan drawdown	Additions and disposals of leases	Finance expense	At 29 December 2024
	£	£	£	£	£	£	£
Cash at bank and in hand	1,644,674	(3,263,616)	179,902	4,200,000			2,760,960
Bank loans	(2,949,021)		(1,335,928)	(4,200,000)		51,426	(8,433,523)
Lease liabilities	(35,203,839)	6,853,314	(4,642,972)		(2,821,774)	(1,735,062)	(37,550,333)
Net debt	**(36,508,186)**	**3,589,698**	**(5,798,998)**	**-**	**(2,821,774)**	**(1,683,636)**	**(43,222,896)**

At 28 December 2025 the Group had Adjusted net debt (as defined for bank covenant purposes) of £10.8 million, excluding lease liabilities. Net debt defined as net debt / cash, cash equivalent and cash in transit (including card receipts and delivery receipts), excluding lease liabilities arising from application of IFRS 16. Net debt is considered an Alternative Performance Measure (APM) and is used by management and lenders to assess the Group's underlying financing position and covenant compliance.

26. SUBSIDIARY UNDERTAKINGS

The subsidiaries of Tortilla Mexican Grill plc, all of which have been included in the consolidated financial information and comprise the Group, are as follows:

Name	Registered Office	Principal activity	Holding
Mexican Grill Ltd	United Kingdom	Operation of restaurants	100%
Mexican Grill International Franchise Ltd	United Kingdom	International franchising	100%
California Grill Ltd	United Kingdom	Holding leases	100%
Chilango Ltd	United Kingdom	Operation of restaurants	100%
Chilango City Ltd	United Kingdom	Holding leases	100%
Chilango London Ltd	United Kingdom	Holding leases	100%
Chilango Mexican Ltd	United Kingdom	Holding leases	100%
Chilango UK Ltd	United Kingdom	Holding leases	100%
Tortilla Mexican Grill France SAS	France	Financing subsidiary	100%
Tortilla Restaurants SAS	France	Operation of restaurants	100%
Tortilla Franchise SAS	France	Franchising	100%
FB CARRE SENART	France	Operation of restaurants	100%
FB GDN	France	Operation of restaurants	100%
FB NICE	France	Operation of restaurants	100%
FB STRAS51	France	Operation of restaurants	100%
FB VDE	France	Operation of restaurants	100%
LAJD & CO	France	Operation of restaurants	100%

The registered address for all above named subsidiaries based in the United Kingdom is 1st Floor Evelyn House, 142-144 New Cavendish Street, London, UK, W1W 6YF.

The registered address for all above named subsidiaries based in France is 4 rue de Marivaux, 75002, Paris, France.

The shares held in all above named subsidiaries are ordinary shares.

The below subsidiaries will apply the parent guarantee audit exemption under section 479A of the Companies Act 2006 for the purposes of their reporting for the period ended 28 December 2025: California Grill Ltd, Chilango London Ltd, and Chilango Mexican Ltd.

27. RELATED PARTY TRANSACTIONS

Mexican Grill Ltd was charged monitoring fees of nil for the 52 weeks ended 28 December 2025 (29 December 2024: £30,000) by QS Direct SI 2 S.à.r.l, in its capacity as General Partner of the Group's shareholder QS Direct SI 2 SCA SICAR.

Mexican Grill Ltd was charged fees of £35,000 for the 52 weeks ended 28 December 2025 (29 December 2024: nil) by Auctor Group in its capacity as a shareholder.

Tortilla Mexican Grill plc was charged consulting fees of £18,477 for the 52 weeks ended 28 December 2025 (29 December 2024: £30,000) by QS Direct SI 2 S.à.r.l, in its capacity as General Partner of the Group's shareholder QS Direct SI 2 SCA SICAR.

Brandon Stephens received a fee of £42,719 during 2025 in connection with his role as an advisor to the Board of our French operating subsidiary Tortilla Mexican Grill France SAS. Francesca Tiritiello received a fee of €21,332 (paid to Kikkirossi Sàrl) during 2025 in connection with her role as Chair of the Board of our French operating subsidiary Tortilla Mexican Grill France SAS.

28. CONTROLLING PARTY

The Directors believe that there is no ultimate controlling party of the Group.

29. CAPITAL COMMITMENTS

The Group had capital commitments of £231,981 at 28 December 2025 (29 December 2024: £215,000).

30. POST-BALANCE SHEET EVENTS

The following material events occurred between 28 December 2025 and the date of approval of these financial statements.

Covenant waivers and incremental facility
Subsequent to the year end, following the identification and correction of accounting errors within the French business, the Group retrospectively breached its net leverage and fixed charge cover covenants at the December 2025 and March 2026 test dates. Santander UK plc formally waived these breaches and agreed revised covenant thresholds for June, September and December 2026, reverting to the original levels from 2027. The facility remains fully available to the Group. In addition, on 8 May 2026 the Group agreed an incremental overdraft facility of £1.3 million with Santander UK plc to provide additional short-term liquidity headroom.

French business reset
Subsequent to the year-end, the Group initiated a structural reset of its French business to address its losses and accelerate the path to profitability. Actions already taken include a reduction to support office costs, estate rationalisation and actions to drive further growth in converted stores, Since the year-end stores at Nice, Grenoble and Nantes have been closed, stemming cash losses.

UK rightsizing
The Group has also closed loss making sites at Portsmouth and Canterbury since the year-end.

31. ALTERNATIVE PERFORMANCE MEASURES (NON-GAAP)

	28 December 2025	29 December 2024
	£'m	£'m
Operating loss	**(12.1)**	**(1.2)**
Pre-opening costs	0.8	0.4
Share based payments	0.0	(0.1)
Depreciation and amortisation	9.9	8.8
Loss on disposal of other fixed assets	(0.1)	0.1
Impairment charges and lease adjustments*	9.3	1.4
FX (gain) / loss	0.0	0.1
Exceptional items	0.8	1.5
Other income	(0.2)	0.0
Adjusted EBITDA	**8.4**	**11.0**
IFRS adjustment*	(7.3)	(6.5)
Adjusted EBITDA (pre-IFRS 16)	**1.1**	**4.5**

Adjusted EBITDA is defined as statutory operating profit before interest, tax, depreciation and amortisation (before application of IFRS 16 and excluding exceptional costs), includes other income, and reflects the underlying trade of the Group.

*Impairment charges and lease adjustments include £9.9m of impairments relating to goodwill, right of use assets and property, plant and equipment, and £0.6m of gains from other lease related adjustments.

	28 December 2025	29 December 2024
	£'m	£'m
Net debt		
Statutory net debt	46.5	43.2
IFRS 16 lease liabilities	(35.5)	(37.5)
Delivery in transit	(0.2)	-
Adjusted net debt	**10.8**	**5.7**

Net debt defined as net debt / cash, cash equivalent and cash in transit (including card receipts and delivery receipts), excluding lease liabilities arising from application of IFRS 16. The directors consider this more accurately reflect the underlying net debt of the Group.

COMPANY STATEMENT OF FINANCIAL POSITION AS AT 28 DECEMBER 2025

	Note	28 December 2025 £	29 December 2024 £
Fixed assets			
Investments	3	1,250,911	1,504,133
Current assets			
Debtors: amounts falling due within one year	4	2,400,799	2,400,799
Creditors: amounts falling due within one year	5	(786,176)	(997,738)
Net current assets		**1,614,623**	**1,403,061**
Total assets less current liabilities		**2,865,534**	**2,907,194**
Net assets		**2,865,534**	**2,907,194**
Capital and reserves			
Called up share capital	6	386,640	386,640
Share premium account	7	4,433,250	4,433,250
Share based payment reserve	7	790,490	794,585
Profit and loss account	7	(2,744,846)	(2,707,281)
		2,865,534	**2,907,194**

The accompanying notes on pages 82 to 107 form an integral part of these financial statements.

As permitted by section 408(3) of the Companies Act 2006, the Company's statement of comprehensive income has not been included in these financial statements. The loss for the period was £37,565 (2024: £861,668).

The financial statements of Tortilla Mexican Grill plc (registration number 13511888) were approved and authorised for issue by the Board and were signed on its behalf by:

Richard Haley
Chief Financial Officer
26 July 2026

COMPANY STATEMENT OF CHANGES IN EQUITY FOR THE 52 WEEKS ENDED 28 DECEMBER 2025

	Called up share capital	Share premium account	Other reserves	Profit and loss account	Total equity
	£	£	£	£	£
At 01 January 2024	**386,640**	**4,433,250**	**839,978**	**(1,845,613)**	**3,814,255**
Loss for the period	-	-	-	(861,668)	(861,668)
Share based payments	-	-	(45,393)	-	(45,393)
At 29 December 2024	**386,640**	**4,433,250**	**794,585**	**(2,707,281)**	**2,907,194**
Loss for the period	-	-	-	(37,565)	(37,565)
Share based payments	-	-	(4,095)	-	(4,095)
At 28 December 2025	**386,640**	**4,433,250**	**790,490**	**(2,744,846)**	**2,865,534**

The notes on pages 110 to 112 form part of these financial statements.

NOTES TO THE FINANCIAL STATEMENTS FOR THE 52 WEEKS ENDED 28 DECEMBER 2025

1. GENERAL INFORMATION

Tortilla Mexican Grill plc, the “Company”, is incorporated and domiciled in the United Kingdom and registered in England and Wales. The registered address of Tortilla Mexican Grill plc is 142-144 New Cavendish Street, London, W1W 6YF, United Kingdom.

The Company was incorporated on 15 July 2021 and was admitted to trading on AIM on 8 October 2021. The Company is a public limited company limited by shares whose shares are publicly traded on the Alternative Investment Market of the London Stock Exchange.

The principal activity of the Company and the nature of the Company’s operations are as a holding entity.

2. ACCOUNTING POLICIES

2.1 Basis of preparation of financial statements

The financial statements have been prepared under the historical cost convention unless otherwise specified within these accounting policies and in accordance with Financial Reporting Standard 102, the Financial Reporting Standard applicable in the UK and the Republic of Ireland ("FRS 102") and the Companies Act 2006.

As permitted by FRS 102, the Company has taken advantage of the disclosure exemptions available under that standard in relation to presentation of a Company statement of comprehensive income and Company statement of cash flows, standards not yet effective, impairment of assets, related party transactions and remuneration of key management personnel.

The financial statements are presented in GBP. The financial statements present information about the Company as an individual entity and not about the Group.

The following principal accounting policies have been applied:

2.2 Investments

Investments held as non-current assets are stated at cost less provision for any impairment. The carrying value of investments are reviewed for impairment when events or changes in circumstances indicate that the carrying amount may not be recoverable. Shares issued in a paper for paper exchange to which local merger relief applies are booked at their nominal value.

2.3 Financial instruments

The Company enters into basic financial instrument transactions that result in the recognition of financial assets and liabilities like trade and other debtors and creditors, and loans from banks and other parties.

Debt instruments (other than those wholly repayable or receivable within one year), including loans and other accounts receivable and payable, are initially measured at the present value of the future cash flows and subsequently at amortised cost using the effective interest rate method. Debt instruments that are payable within one year, typically trade debtors and credit, are measured, initially and subsequently, at the undiscounted amount of the cash or other consideration expected to be paid or received.

Financial assets that are measured at cost and amortised cost are assessed at the end of each reporting period for objective evidence of impairment. If objective evidence is found, an impairment loss is recognised in the statement of comprehensive income.

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is an enforceable right to set off the recognised amounts and there is an intention to settle on a net basis or to realise the asset and settle the liability simultaneously.

3. FIXED ASSET INVESTMENTS

	Investment in subsidiary companies
	£
Cost	
At 01 January 2024	**1,549,526**
Credit– Mexican Grill Ltd	(45,393)
At 29 December 2024	**1,504,133**
Credit – Mexican Grill Ltd	(4,095)
Contingent consideration release – Chilango Ltd	(249,127)
At 28 December 2025	**1,250,911**

The investment additions in Mexican Grill Ltd relates wholly to the share based payment for both periods.

The Company's subsidiary undertakings are shown in note 26 to the consolidated financial statements.

4. DEBTORS

	28 December 2025	29 December 2024
	£	£
Amounts owed by group undertakings	2,377,098	2,377,098
Other debtors	23,701	23,701
	2,400,799	**2,400,799**

Amounts owed by group undertakings are repayable on demand and are non-interest bearing; however, the Company considers the debtor as a non-current asset, as it does not expect to realise the asset within 12 months of expiry date.

5. CREDITORS: AMOUNTS FALLING DUE WITHIN ONE YEAR

	28 December 2025	29 December 2024
	£	£
Amounts owed to group undertakings	(786,176)	(700,547)
Other creditors	-	(250,000)
Accruals and deferred income	-	(47,191)
	(786,176)	**(997,738)**

Amounts owed by group undertakings are repayable on demand and are non-interest bearing.

Comparative information for 29 December 2024 relating to amounts owed to group undertakings has been restated to reflect movements of in intra-group balances that had previously been included in amounts owed from group undertakings. The restatement has reduced the respective asset and liability by £207,316.

6. SHARE CAPITAL

	28 December 2025	29 December 2024
	£	£
Allotted, called up and fully paid		
38,664,031 Ordinary shares of £0.01 each	**386,640**	**386,640**

In addition to the table above, please refer to note 23 of the consolidated financial statements, which provides information on the Company's called up share capital.

7. RESERVES

Share premium account

The share premium account records the amount above the nominal value received for shares sold.

Share based payment reserve

The Group presents employee share options as an adjustment to own equity through this reserve until the point that the shares are awarded and cease to be conditional awards.

Profit and loss account

The accumulated net profits and losses of the Group.

8. CONTROLLING PARTY

The Directors believe that there is no ultimate controlling party of the Company.

COMPANY INFORMATION

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13511888

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BURRITOS and TACOS

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