GREGGS

NEWS RELEASE

Preliminary Results

2026-03-03

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Greggs PLC
03 March 2026

3 March 2026

GREGGS PLC
("Greggs" or the "Company")

PRELIMINARY RESULTS FOR THE 52 WEEKS ENDED 27 DECEMBER 2025

Resilient performance in a challenging market

2025 Financial highlights

	2025	2024	% change
Total sales	**£2,151m**	£2,014m	+6.8%
Underlying operating profit *	**£187.5m**	£195.3m	-4.0%
Underlying profit before tax *	**£171.9m**	£189.8m	-9.4%
Statutory profit before tax	**£167.4m**	£203.9m	-17.9%
Underlying diluted earnings per share *	**122.8p**	137.5p	-10.7%
Diluted earnings per share	**119.3p**	149.6p	-20.3%
Diluted operating cash inflow per share	**267.1p**	255.4p	+4.6%
Total ordinary dividend per share	**69.0p**	69.0p	-

** 2025 excludes the exceptional impact of a £4.5 million provision for a historic understatement of VAT self-identified and reported to HMRC in the year. 2024 comparative excludes the impact of £14.1 million exceptional gain primarily related to the sale of a legacy supply site*

- Total sales** up 6.8% on 2024, with LFL*** sales in company-managed shops up 2.4% year-on-year
- Underlying* operating profit**** 4.0% lower at £187.5 million (2024: £195.3 million)
- Underlying* profit before tax 9.4% lower at £171.9 million (2024: £189.8 million)
- Underlying* diluted earnings per share 10.7% lower at 122.8p (2024: 137.5p)
- Diluted operating cash inflow per share up +4.6% representing strong underlying cash generation
- Net cash position of £45.8 million reflecting the level of capital investment in supply chain capacity
- Final dividend of 50.0p per share recommended, total ordinary dividend per share of 69.0p per share, maintained at 2024 level

*** 52 weeks ended 27 December 2025 (2024: 52 weeks ended 28 December 2024)*

**** like-for-like sales in company-managed shops (excluding franchises) with more than one calendar year's trading history*

***** profit before net finance charges and income tax*

Operational and strategic progress

Fastest-growing brand in the food-to-go market:

- Greggs share of visits up 0.5 percentage points to 8.6% for the year to December 2025 (source: Circana). Greggs now a top four brand in all dayparts and in delivery
- Brand health metrics remain strong; Greggs continues to be the UK's leading food-to-go (FTG) brand (YouGov's Brand Index, December 2025)

Value leadership - quality and price-driven:

- Greggs remains the number one FTG brand for value
- Greggs Rewards App provides access to even greater value for loyal customers, increasing frequency of visit
- Value driven by quality as well as price - Greggs differentiates with freshly prepared food, hot options and customisation

Increasing access to Greggs:

- **Shop growth -** clear opportunity for significantly more than 3,000 UK shops over longer term
  - 121 net openings in 2025, growing the estate to 2,739 shops as at 27 December 2025
  - Targeting around 120 net openings in 2026 with a strong pipeline of attractive opportunities
  - Trialling new 'bitesize Greggs' format to meet incremental customer demand in locations requiring a more compact unit
- **Delivery -** delivery sales up 8.1% in 2025, representing 6.8% of company-managed shop sales (2024: 6.7%), now number four in market for delivery occasions (Circana)
- **Loyalty -** Greggs App scanned in 26.7% of company-managed shop transactions (2024: 20.1%); customers who engage with the App shop at Greggs more frequently
- **Evening -** remains fastest growing daypart; 9.4% of company-managed shop sales in 2025 (2024: 9.0%), now number four in market for dinner visits (Circana)
- **Grocery retailing -** launched Bake-at-Home with Tesco and expanded range with Iceland
- **Menu -** keeping the menu fresh and relevant by introducing new flavours and products, most recently launched a great value iced matcha latte in February 2026 (priced from £3)

Managing costs and capital investments:

- Managing costs closely is strategically important as a value retailer, structural cost savings of £13.0 million delivered in 2025 and strong plans in place for future years
- New National Distribution Centres in Derby and Kettering increase logistics capacity to 3,500 shops and remain on time and on budget
- Capital expenditure peaked in 2025 at £287.5 million and will fall to circa £200 million in 2026, before reducing to a range of £150 to 170 million from 2027 on. The Company's strong operating cash generation will create material capacity for additional cash returns
- Key focus is restoring the Company's return on capital employed to target of around 20%

Current trading

- Like-for-like sales in company-managed shops increased by 1.6% year-on-year in the first nine weeks of 2026, with total sales increasing 6.3% and strong cost control supporting profit conversion
- Full year guidance unchanged - expect to deliver profits at a similar underlying level to 2025, with any year-on-year improvement contingent on a recovery in the consumer backdrop

Roisin Currie, Chief Executive commented:

"Greggs delivered a resilient performance in 2025, growing market share, alongside continued strategic progress. Looking into 2026, easing inflationary pressures should provide some support to consumer spending and demand for convenient food-on-the-go continues to underpin the market. We remain focused on broadening access to Greggs with a strong pipeline of shop openings, exciting launches and deeper customer engagement via the Greggs App.

We have a clear formula for long-term success, leveraging our value leadership, vertical integration, breadth of range and strong track record of innovation. Together, these strengths give us a clear competitive advantage and position us well to deliver further sustainable growth."

ENQUIRIES:

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An audio webcast of the analysts' presentation will be available to download later today at **http://corporate.greggs.co.uk/**

Chair's statement

Greggs outperformed a tough market in 2025 and delivered the continued strategic progress that will support further growth in the years ahead, demonstrating its resilience. Our success is down to the thousands of amazing people who work in our business and the energy they demonstrate every day. We continue to be excited by the many opportunities ahead and our programme of investment to support that ambition is proceeding according to plan.

Overview

Greggs benefits from a fantastic brand, strong market position and a track record of innovating to adapt to changing customer needs. These unique strengths helped us navigate a challenging food-to-go market in 2025, increasing share and maintaining the competitiveness of our offer despite the headwinds. The financial outcome reflected these market headwinds but has been well-managed and has not distracted the team from the significant opportunities that lie ahead as we continue to innovate and evolve our offer in line with consumer preferences and leverage the benefits of our vertically-integrated model. We also made good progress investing in the systems and supply chain capacity that will help us to realise our ambition in the years to come.

The Board's agenda for the year reflected this growth context, and the need to manage risk in a competitive and challenging environment. Cyber security and our plans to manage the business during a period of significant systems change were both in focus, particularly given the well-publicised issues faced by other retailers. Technological change continues to accelerate and the Board received updates from management on the work being undertaken to increase the organisation's capability in areas such as data analysis and the integration of AI into our business processes.

As a food business, our processes for allergen management continued to be an area of Board focus, given the material risk associated with this. Strong progress has been made and the Board received updates on this work and the further measures being taken to ensure that protection for our customers continues to advance and remains at the centre of how we operate.

The Greggs Pledge is our way of articulating our approach to responsible business. I'm incredibly proud of the progress that Greggs has made over the past five years against its original five-year commitments. Quite apart from being the right thing to do, this progress enhances our reputation with customers, makes us a more attractive employer to our colleagues, and reduces risk of reputational damage to the brand.

Our people and values

The Board works hard to stay close to our colleagues across the business in order to listen to their feedback and ensure that we are aware of their ideas and concerns. Our people offer their views freely and this openness, characteristic of the culture of the business over so many years, is important in making sure that Board members are cognisant of this in our deliberations.

The Board's 'listening' activity involves Directors visiting shops, supply sites and support teams, as well as attendance at forums that help us to hear the impact of our plans on colleagues. This helps the Board to question and support management and makes us better equipped to make informed decisions.

The Board

The composition of the Board was unchanged during 2025. We planned succession for Kate Ferry, who will retire from the Board on 6 March 2026 and for Mohamed Elsarky, who steps down after the Annual General Meeting (AGM) in May 2026. Both Kate and Mohamed have made an exceptional contribution to Greggs. Richard Smothers joined the Board on 1 February 2026 and will assume the role of Chair of the Audit Committee following Kate's retirement. Richard brings extensive financial expertise in a listed

company environment and great experience in retail which will be of significant benefit to the business.

Further details of the Board's work are included in the Governance and Committee sections of the Annual Report and Accounts 2025.

Dividend

At the time of the interim results in July 2025 the Board declared an interim ordinary dividend of 19.0 pence per share (2024: 19.0 pence per share). In line with our ordinary dividend policy the Board intends to recommend at the AGM a final dividend of 50.0 pence per share (2024: 50.0 pence per share), giving a total ordinary dividend for the year of 69.0 pence per share (2024: 69.0 pence per share).

Our capital allocation policy, as outlined in the Financial Review, details our approach to distribution, and the methodology for determining and returning any surplus cash to shareholders.

Looking ahead

Despite the challenging market conditions, the underlying strengths of the business remain clear, and the breadth of our appeal and value leadership have allowed us to continue to outperform in a tough market. We expect consumer sentiment to continue to be a headwind in 2026, but with a strong competitive position and a clear opportunity for further growth Greggs can weather these conditions and continue to outperform the market.

Our investment plans are progressing well and will provide the infrastructure with which to realise the significant growth opportunity that lies ahead. At the same time, the Greggs team continues to demonstrate its ability to navigate the short-term challenges presented by the market. Our brand and financial position remain strong and the Board remains confident in the prospects for further profitable growth over the medium term.

Matt Davies
Chair
3 March 2026

Chief Executive's report

Our customers come back to Greggs again and again because we offer them a delicious and exciting range of great value products. Once again, their loyalty has helped us to outperform our competitors in challenging market conditions, generating record sales as we continue to expand our range.

Outperforming in challenging conditions

We are pleased with the Greggs brand's resilience against the backdrop of a tough environment for the whole food-to-go market in 2025. We increased our share of food-to-go market visits by 0.5 percentage points to 8.6%, with gains across all dayparts, in a market where visits shrank 3.1% (source: Circana, 12 months ended December 2025). Card spending data also confirmed that we outperformed the wider eating & drinking out-of-home market in the year to December 2025.

We are seeing some emerging shifts in dietary preferences, with certain consumers seeking greater choice in areas such as increased protein, more fibre and smaller portions. We expect this will be a developing trend and are confident in our ability to evolve our range to appeal to those looking for different nutritional profiles and portion sizes when eating out of home, building on our track record of responding to change and entering new categories with value-based options. Our analysis of the factors impacting sales performance suggests that pressure on disposable incomes remains the key factor. We remain confident that demand for convenient food-on-the-go as customers go about their busy lives will continue to underpin the market.

In the year ahead we expect market conditions will remain challenging for the consumer. We continue to stay focused on value and are significantly ahead of our competitors on this metric. Greggs value proposition makes it relatively resilient in the face of cyclical pressure on consumers, and we will continue to focus on this through strong cost control and structural efficiency opportunities. At the same time we are successfully increasing access to Greggs through the extension of our own shop estate alongside partnerships with grocery, franchise and delivery partners.

Financial results

Total sales grew to £2,151 million in 2025 (2024: £2,014 million), a 6.8% increase on 2024. Within this, company-managed shop like-for-like sales were 2.4% higher than 2024 and like-for-like 'system sales' in franchised units rose by 4.3%.

Underlying operating profit was 4% lower than in the previous year, due to increased fixed costs in respect of manufacturing, logistics and technology capacity and the operating leverage impact of lower like-for-like volumes. Underlying pre-tax profit for the year decreased by 9.4% to £171.9 million (2024: £189.8 million), with reduced interest income on cash deposits and a higher lease interest charge as the estate grows and leases are renewed. For further detail, see the Financial Review. Including exceptional items, statutory profit before tax for the year decreased to £167.4 million (2024: £203.9 million including an exceptional gain of £14.1 million primarily related to the sale of a legacy bakery site).

Operational progress in 2025

The fastest-growing brand in the food-to-go market

Keeping the brand at the front of people's minds and giving them good reasons to choose Greggs is a key focus, and in 2025 we once again topped the YouGov Brand Index, ranking first for both value and consideration, proving that consumers believe we are getting it right.

Market share data (source: Circana, 12 months ended December 2025) highlights our success, with Greggs remaining the number 1 brand at breakfast, number 2 at lunch, number 3 for snacking and now number 4 for both the dinner market and delivery channel. Greggs is an inclusive brand that appeals to a mix of customers that broadly reflect the market as a whole.

Our investment in marketing to drive brand awareness and performance continues, promoting our menu through out-of-home poster campaigns, radio advertising, and paid social media. These have been

bolstered by witty brand activation campaigns, including the launch of our first home furnishings collection, which included beanbags and cushions in the shape of Greggs Sausage Rolls and Steak Bakes. We were pleased to partner with Fenwick - this time to deliver The Golden Flake Tavern pop-up, where customers could enjoy their Greggs meal in a pub atmosphere, complete with exclusive Greggs beers.

In November we partnered with Universal Pictures UK to launch the 'Wicked: For Good' film. We held a day of special events in two iconic shops - London Leicester Square and Manchester Trafford Centre - to mark the film's launch, inviting customers to follow the Yellow Bake Road. We also created a 'Greggs x Wicked Baked For Good' box for customers in our delivery channel.

A highlight of the year was the Greggs Sausage Roll establishing its status as a British icon. Throughout the summer of 2025, a wax effigy of our famous bake rested on a velvet cushion in Madame Tussauds - the first time a food item has been honoured in this way - reminding us of the very real affection that people have for the Greggs brand.

Range evolution and value leadership

We continue to keep our menu fresh and relevant, introducing new flavours and products. Examples in 2025 included the Red Pepper, Feta and Spinach Bake, the Sweet & Spicy Chicken Oval Bite, the Tuna Crunch Roll, and expansion of our popular pizza range with a new Tandoori Chicken option. Our innovation pipeline reflected emerging dietary trends with the launch of Turmeric and Ginger shots, two protein shakes and a convenient Egg Pot, broadening choice for customers looking for quick, healthy, high-protein options.

Greggs has a track record of responding to changing dietary needs and entering new categories with value-based options. High-protein options such as chicken have been increasingly popular in recent years and we have grown share of categories such as coffee, breakfast, vegan-friendly options and iced drinks. Most recently we added iced matcha lattes to our popular iced drink range. Priced from just £3.00, they are the latest example of Greggs embracing market trends whilst making products more accessible to more people.

Increasing access to Greggs

Providing more convenient access to Greggs food and drink is crucial to our success and continues to present a material growth opportunity in the years ahead. Despite Greggs success over many years, increasing the frequency of customer visits remains a clear opportunity when compared with best in class for food-to-go.

By bringing our shops to more catchments, introducing convenient ways for customers to pick up Greggs favourites, and offering services such as delivery we enable customers to shop with us more frequently in a manner that suits their busy lives. Increasingly this involves working in partnership with others to extend access to Greggs beyond traditional locations, for example roadsides, grocery retailers, and delivery partners. In every case we are focused on ensuring that we generate strong returns on the capital that we deploy.

As we grow our estate, we continually monitor customer behaviour to ensure that new openings are not at risk of cannibalising existing shop sales. Analysis of our Greggs App customers continues to demonstrate that those who visit a new shop increase the overall frequency with which they visit Greggs. In 2025 53% of our new shop openings (excluding relocations) were in areas with no other Greggs shop within a mile (2024: 60% of new shop openings), with 2026 planned openings having a similar profile. For openings in areas with existing access to Greggs within a mile of the new shop, the transfer of sales from existing shops across 2024 and 2025 averaged less than 5%. We factor this into our rigorous new shop appraisal process to ensure that increased access to Greggs improves catchment performance and returns on investment.

Shop growth

In November 2025, we opened our 2,700th shop. Over the course of 2025, we opened 121 net new shops, moved 50 existing shops to better locations in the same area, and refitted 116 company-managed shops and 47 franchise shops.

Our growing presence now extends well beyond the high street, with over half of our new openings located in alternative sites such as petrol forecourts, supermarkets, retail parks, hospitals and university

campuses. We remain focused on expanding our presence in major transport hubs, opening new shops this year at Manchester Airport and railway stations in Leeds and Dartford as well as the western hall at St Pancras railway station in London. 2025 also saw the launch of our first 'bitesize' shop at Sevenoaks railway station.

Some high-footfall locations offer less space than is needed for a standard Greggs shop, so we are trialling the new 'bitesize Greggs' format that enables us to meet customer demand from a much more compact unit. In 2025, we opened three bitesize shops, each offering a focused range of customer favourites, and we are now assessing the role this format can play in supporting profitable future growth. In addition to the bitesize trial, we are developing unattended retail solutions to serve additional missions and further enhance returns.

In addition to identifying new sites, relocating existing shops is an important part of our strategy to develop the Greggs estate. During 2025, we closed shops in 50 locations to make way for a better opportunity nearby or by expanding into a vacant unit next door, allowing us to serve more customers and expand our offer in that community. Relocating shops enables us to retain the existing shop team whilst adding the space needed to serve more customers. In these more traditional locations, typically in cities, towns and suburbs, our customer base is already well established and further investment unlocks swift and profitable growth. Since 2019 we have relocated circa 15% of our estate in these traditional locations.

Greggs is a trusted brand offering a strong covenant to landlords and franchise partners and this continues to generate attractive opportunities in new locations. Our new shop pipeline is strong, and we expect to deliver around 120 net openings in 2026, with the emphasis of our growth being in locations where Greggs continues to be underrepresented, such as retail parks, railway stations, airports, roadsides and supermarkets.

Delivery

Home delivery makes up 6.8% of our sales mix (6.7% in 2024) and Greggs is now ranked number four in the market for delivery (source: Circana, 12 months ended December 2025). Three quarters of our company-managed shops now accept orders via Just Eat and Uber Eats. Delivery sales are incremental to our walk-in business. The basket value of a delivery order tends to be around three times that of a walk-in customer, so we continue to look for ways to extend the reach of this offer with the evening daypart remaining a key opportunity. In the overall market, home delivery continues to grow and is at its most popular in the evening daypart. This remains an opportunity for Greggs as we adapt products to suit the delivery channel. For example more than 70% of our sales of pizza boxes are made via our delivery partners.

The success of our delivery business relies upon slick processes, and we are constantly searching for ways to reduce complexity and simplify our operations. We are now investing in a platform to better manage menu availability and improve the amount of time our shops are online. We have also trialled courier estimated arrival time functionality with Uber Eats so we can better anticipate when food will be collected, allowing us to make up an order so it is as fresh as possible.

Loyalty

The Greggs App remains very popular with our regular customers, giving them a free product for every nine they buy. Another 1.7 million customers downloaded the app in 2025 and it is now scanned in more than a quarter of company-managed transactions (26.7%, up from 20.1% in the previous year). At the peak in December 2025, the app was used by over 1.5 million customers a week - over three times more than the December peak in 2022.

In May, we introduced a personalised inbox, Baked for You, to the Greggs App, giving us more space to promote new products and deals. In November, we launched Greggs Quests to 'gamify' the app user experience and provide more opportunities to drive engagement and frequency of purchase by accelerating rewards for customers if they complete their Quest. By completing Greggs Quests, customers had the opportunity to win a range of prizes - from products and gift cards to a trip to Reykjavik with Universal Pictures as part of our Wicked partnership.

Evening growth

Around 2,000 Greggs shops are open beyond 5pm, and at least half of these are open until 7pm. Evening sales represent 9.4% of company-managed shop sales (2024: 9.0%) and remained our fastest-

growing daypart in 2025. We are now ranked number four in the market for dinner visits (source: Circana, 12 months ended December 2025) as we continue to take market share.

Most of our evening sales come from walk-in customers on grab-and-go missions, with our iconic savouries and pizza remaining the backbone of these visits. Alongside this, we're strengthening our offer for sit-in and delivery occasions by providing hot, filling meal options. Products like Southern Fried Chicken Goujons, Southern Fried Potato Wedges and Mozzarella & Cheddar Bites are key drivers of like-for-like volume growth in the evenings, and this year we expanded the range further with Mac & Cheese. We've also continued to test and refine our pizza offer, introducing a new small pizza box and a single slice pizza box exclusively for delivery.

Product innovation will continue to be central to our evening growth strategy.

Grocery retailing

Iceland Foods continues to be a key commercial partner, and in 2025 we added new pastries to the Greggs 'Bake at Home' range and expanded the rotational programme of limited-edition products. During the year we also launched elements of the range with Tesco, and Greggs products are now available at 800 larger Tesco stores and online. From January 2026 a subset of this range became available in a further 1,900 Tesco Express stores.

Managing costs and capital investment

Managing costs closely is, and always has been, strategically important to us as a value retailer. Our teams delivered structural cost savings of £13.0 million in 2025, £4 million ahead of our stretch target, alongside short-term tactical control to manage labour and other key variable costs. This will remain a focus in 2026 and going forward as we explore further structural cost efficiency opportunities to increase productivity and support strong returns for shareholders.

Our plans to open new National Distribution Centres in Derby and Kettering remain on time and are both on track to come in under budget. At the Derby site, we will be ready to roll out upstream robotic picking of frozen goods from mid-2026. The 23-acre site will be fully operational by the end of 2026, including our first production line on the site, adding capacity to both our manufacturing and logistics operations. Our Kettering site will embrace increased levels of automation to enable upstream picking of chilled and ambient goods, relieving pressure on our existing Radial Distribution Centres. The site will be operational in 2027 and we have begun appointing key individuals to manage this operation.

2025 was the peak of our capital investment programme and we are now focused on completing and activating the new facilities to utilise their capabilities. Free cash generation will increase going forward as our investment requirements reduce materially. This will improve returns as we move forward, leveraging the investments we have made.

We continue to invest in upgrading our logistics infrastructure and modernising our fleet of vehicles. During 2025, we purchased more efficient double-deck trailers and introduced 25 urban artics, both of which will take miles off the road. We now use the renewable biofuel HVO at three sites, meaning that 28% of our fuel usage has been switched to a renewable fuel source. Building on this progress, we are exploring opportunities to expand HVO usage across our Leeds and Kettering logistics sites in 2026, aiming, where viable, to support increased adoption and further reduce emissions. In addition, the introduction of real-time data through vehicle telematics has enabled us to improve operational efficiencies, cut emissions, and improve safety compliance and driver performance.

During 2025 we successfully migrated our finance and procurement team processes to the SAP S/4HANA platform, strengthening the foundations for greater efficiency along with data and insight capabilities across the business. We further developed our use of Power BI and Microsoft AI tools to support decision making. These developments are already helping us unlock greater value from the vast volumes of data we manage. For example, we've expanded the insight available to operational teams with a single view of performance metrics across our supply chain, and we now provide real-time sales updates to shops so they can make intraday decisions on labour scheduling.

We've also introduced insight that helps teams understand how operational choices affect queue times and service levels, and we're generating richer views of customer purchase behaviour highlighting the positive impact of the Greggs App and our loyalty scheme. We continue to experiment with ways to transform our business using digital solutions. In 2025, we trialled self-service ordering screens in a

small number of shops, offering our customers a convenient way to order and pay without queuing. At our Head Office our support teams are benefiting from the investment in CRM capability, with AI functionality being developed to drive service standards and efficiencies. These enhancements continue to strengthen our data and AI capabilities and improve our ability to run efficient, well-informed operations.

Looking after our people

We are proud to employ more than 33,000 people across the UK in stable, fairly-paid jobs. In a wider environment of rising unemployment, we are proud to be creating new jobs; in opening 121 net new shops we added over 1,200 colleagues to our team.

Everyone who works for Greggs benefits from a 50% colleague discount on Greggs-branded products from the day they start work. After three months with us, they can opt into our Sharesave scheme, enabling them to buy Greggs shares at a discount, and after six months they also become eligible for our longstanding profit share scheme. Every year, 10% of the profits we generate are divided between these colleagues and, at the end of March 2026, each will receive a share of £20.2 million.

We also offer a matched contribution pension scheme, of up to 7% of salary, for all colleagues. With our contribution, colleagues can set aside the equivalent of 14% of every pay packet, helping them to save for retirement.

We want to take good care of our people and, in spring 2025, introduced a virtual GP service which enables them to speak to a private doctor, at no cost to them. At a time when getting a doctor's appointment feels increasingly challenging, this service removes some of the friction that can make it harder to seek expert advice.

Our colleague inclusion networks empower our colleagues from minority groups (and their allies) to come together to share their experiences and provide guidance and feedback to the business. We held our second Inclusion Conference to celebrate our success stories and discuss ways we can improve further.

Giving back

In addition to paying taxes and providing stable employment to tens of thousands of people across the country, we give back to our communities through charitable support.

The Greggs Foundation
Every year, Greggs plc donates 1% of pre-tax profits to the Greggs Foundation. We also work collaboratively to leverage the ability of our Outlet shops to support their local community. In 2025, this support amounted to £3.4 million. Our colleagues and customers give generously throughout the year, raising a further £420,000 through donations at the till, our two Breakfast Club appeal weeks and colleagues' Give As You Earn donations.

Children in Need
2025 was our 19th year supporting BBC Children in Need. During November, we raised over £1 million for the charity through shop collections, merchandise, Pudsey Biscuits, and till donations.

Children's Cancer North
We are long-time supporters of Children's Cancer North's annual charity run, which takes place each May in Newcastle upon Tyne. As well as providing funding towards the delivery of the event, we put collection buckets in our shops in the North East and increased local awareness of the event. We have raised £9 million for the charity since we began supporting them back in 1983.

The Greggs Pledge

We created the Greggs Pledge in 2021 to channel resources and energy into the areas where we felt our business could make the most difference to the wider world. We have spent the five years since it was launched working to deliver ten bold commitments, with the end of 2025 as our target delivery date. I am incredibly proud of the progress that we have made.

We are now entering a new five-year cycle, with an evolved set of commitments. As our approach to ESG and sustainability has matured, our ambitions have grown; our new targets reflect that and will require real focus and effort in the years ahead.

In some cases, a target that we set in 2021 has been delivered in full. Typically, this means that the required change has been embedded into 'business as usual' and will now be delivered by existing processes. For example, our Eco-shops are now fully operational and are on-going test-beds for new, 'greener' equipment and technology, and any new item of packaging will always be made from fully recyclable material.

Our priorities for the next five years are based around the same three pillars: building stronger, healthier communities; making our planet safer; and striving to be a better business. We are focusing on empowering broader community action through The Greggs Foundation's Community Action Fund, maintaining our climate ambition to reach Scope 2 net zero by 2030, and stay firmly on track for full net zero across Scopes 1-3 by 2040, and we are accelerating progress on our diversity agenda by building a more diverse leadership pipeline.

Further detail on each of these pillars can be found in The Greggs Pledge section of the Annual Report and Accounts 2025.

A forward look

We expect that 2026 will be another tough year for the consumer but are optimistic that inflationary pressure will ease a little, providing some support to consumers and the food-to-go sector.

We will continue to open new Greggs shops, primarily in catchments where we do not yet have a presence. Our flexible formats and growing presence in areas such as petrol forecourts and retail parks will continue to improve access to Greggs whilst further diversifying our shop estate.

Our loyalty proposition will encourage customers to shop with us more frequently and at different times of the day, supported by continued evolution of our product range to suit different dayparts and respond to dietary trends.

The key focus for management in the coming years will be restoring the Company's return on capital employed ("ROCE") back to our target of around 20%. This will be supported by continued action to drive like-for-like sales, deliver structural cost reductions and develop additional income streams, alongside opening more shops that deliver strong returns and leverage the new supply chain capacity that we are building.

Current trading and outlook

We have a strong pipeline of new shop openings in 2026, primarily in new catchments that drive strong returns, and our investment in supply chain capacity is on track. Like-for-like sales in company-managed shops have increased by 1.6% year-on-year in the first nine weeks of 2026. Total sales increased by 6.3% year-on-year as we continued to grow our shop estate and benefited from the expansion of our grocery retail business, with strong cost control supporting profit conversion and year-on-year progression.

Our strong brand and robust balance sheet position us well and management's expectations for the year remain unchanged, with profit before tax expected to be broadly in line with 2025 and any year-on-year improvement contingent on a recovery in the consumer backdrop. We expect to make profit progress in the first half of 2026 due to the phasing of like-for-like cost inflation across the year and will see an increase in fixed costs as we commission the new Derby site, which will primarily impact the second half.

I remain confident about the growth opportunities available to Greggs and our ability to progress them.

Roisin Currie
Chief Executive
3 March 2026

Financial review

Despite challenging market conditions in 2025, Greggs delivered further sales growth through new shop openings, the development of further partnerships that improve access to the brand and continued progress in the evening daypart and delivery channel. Subdued consumer confidence impacted trading but the Company's growth strategy remains intact, with work

progressing to develop additional income streams and accelerate cost efficiencies. This, along with the leveraging of new logistics capacity, will support the medium-term plan to restore returns in line with our historic targets.

	2025 £m	2024 £m	*Variance*
Revenue	**2,151.2**	2,014.4	*+6.8%*
Underlying operating profit	**187.5**	195.3	*-4.0%*
Finance income	**1.8**	8.1	*-77.8%*
Finance expense	**(17.4)**	(13.6)	*+27.9%*
Underlying profit before tax	**171.9**	189.8	*-9.4%*
Cost of prior year VAT correction	**(4.5)**	-	
Exceptional income	**-**	14.1	
Profit before tax	**167.4**	203.9	*-17.9%*
Income tax	**(45.2)**	(50.5)	*-10.5%*
Profit after tax	**122.2**	153.4	*-20.3%*
Underlying diluted earnings per share	**122.8p**	137.5p	*-10.7%*
Underlying return on capital employed	**16.0%**	20.3%	

Sales

Total Group sales for the 52 weeks ended 27 December 2025 grew by 6.8% to £2,151 million (2024: £2,014 million). Growth was delivered through both new shop openings and like-for-like sales growth in existing shops. Company-managed like-for-like sales grew by 2.4% in the year, whilst like-for-like 'system sales' in franchised units rose by 4.3%. Total Group revenue reflects sales from company-managed shops, which include delivery sales, and sales through the business-to-business channel to our franchise and grocery retail partners.

Reporting like-for-like sales (sales in shops with more than one calendar year's trading history) is a key alternative performance measure for Greggs, as it shows underlying sales performance excluding the impact of new shop openings and closures. In 2025 like-for-like sales growth was limited by challenging market conditions and particularly impacted by prolonged high temperatures experienced in June and July. The performance of shops managed by franchise partners proved more resilient to market conditions, being primarily focused on roadside locations.

Profit for the year

Underlying operating profit (profit before net finance charges, exceptional items and tax) was £187.5 million in 2025 (2024: £195.3 million) and underlying profit before tax (profit before exceptional items and tax) was £171.9 million (2024: £189.8 million). Underlying operating profit margin was 8.7% in 2025 (2024: 9.7%). After exceptional items profit before taxation was £167.4 million in 2025 (2024: £203.9 million after exceptional income). The year-on-year profit position reflected challenging market conditions, compounded by the spell of particularly hot weather that had a material impact on footfall and consumer behaviour. Profit before tax included the one-off impact of accounting for £4.5 million related to previous years' VAT costs. The net exceptional gain of £14.1 million in 2024 primarily related to the sale of a legacy supply chain site.

The business experienced overall like-for-like cost inflation of around 5.5% in 2025. This was primarily driven by employment costs, including the impact of the increase in employer's National Insurance contributions from April 2025, and rising costs of food and packaging. Energy costs marginally increased and our shop occupancy cost ratio (shop costs such as rent, rates and service charges as a percentage of sales) was stable.

Looking forward we expect like-for-like costs to be less inflationary in 2026, with overall input cost inflation of around 3%. Employment cost inflation will again be the biggest driver of higher costs, but at a lower level than seen in recent years, reflecting changes to the National Living Wage. We currently have good levels of forward cover for commodity costs, with 100% of our electricity requirements fixed for the year and forward purchase agreements in place representing circa four months of our food and packaging needs.

Offering great value to customers is key to our strategic purpose, and we leverage our scale and vertical integration to keep costs low. We have a rolling programme of cost-saving initiatives with the aim of mitigating as much cost pressure as possible and in 2025 this delivered £13.0 million of savings (2024: £10.6 million). Through the programme we look to leverage the benefits of our vertical integration in manufacturing and logistics operations, completing end-to-end process reviews to optimise the way that we procure and utilise resources. The strength of our financial covenant, coupled with our scale, helps us secure the best possible procurement rates.

To the extent that we cannot mitigate cost inflation through savings, we recover it through careful pricing activity, whilst ensuring that we protect our reputation for offering great value, great quality products. We continually compare our prices with the market across a range of products and ensure that our relative price proposition remains strong, and at a strong discount compared to other food-to-go specialists. Our prices are comparable to the grocery sector, however, our food and drink offering is freshly prepared in shops each day. Our analysis of Greggs prices against the market demonstrates that this value position has been maintained and improved through the cycle of cost inflation seen in the market over recent years.

Investment and returns

2025 was the peak year of our investment in capital expenditure as we developed the logistics infrastructure that will support the next phase of growth. When complete, we will have the logistics capacity to support a network of 3,500 shops in the medium term and the flexibility to extend this further if appropriate.

As we have previously guided, the development and commissioning of these sites will bring additional operating and financing costs in the short term, which will subsequently be leveraged as the new facilities allow us to open further profitable new shops.

Greggs targets a ROCE of around 20% and this remains one of our key objectives. The impact of our investments on margin and capital employed remains in line with our plans but the operating conditions in the market at present have presented an additional headwind. In 2025 underlying ROCE was 16.0%, reflecting this headwind and the planned increase in capital employed (2024: 20.3% underlying). The ratio will reduce further in 2026 as the new distribution facilities in Derby and Kettering are brought into use. Thereafter we expect ROCE to stabilise in 2027 before recovering from 2028 onwards, driven by:

- Our shop opening programme, adding attractive new locations with strong returns that utilise the capacity we are creating to reach customers more frequently
- Continued relocation of a proportion of our traditional shop estate to stronger locations, improving their returns on capital
- A disciplined approach to capital allocation with a material reduction in the Company's requirement for capital expenditure, starting in 2026 as discussed below
- Further structural cost efficiency opportunities increasing productivity
- Wider market performance and the generation of additional income streams as we capitalise on the appeal of the Company's brand, infrastructure and products

This activity is designed to recover the Company's ROCE toward the 20% target. The pace of this will clearly be affected by market conditions but we believe that Greggs is well placed to weather the short-term pressures whilst also benefiting as the consumer environment improves.

Financing charges

We earned £1.8 million (2024: £8.1 million) of finance income on cash deposits during the year as we deployed cash to support our investment in logistics capacity, and incurred finance expenses of £18.1 million (2024: £13.6 million) which comprised £16.7 million (2024: £13.0 million) in respect of the IFRS

16 interest charge on lease liabilities and an aggregate £1.4 million (2024: £0.6 million) of charges under the Company's revolving credit facility (RCF), interest on the defined benefit pension liability, foreign exchange losses and a provision of £0.7 million in respect of interest payable on the historic sales tax correction.

Taxation

The Group has a simple corporate structure, carries out its business entirely in the UK and all taxes are paid here. We aim to act with integrity and transparency in respect of our taxation obligations.

The Group's overall effective tax rate on profit in 2025, including the impact of exceptional items, was 27.0% (2024: 24.8%) whilst the underlying effective rate for the year was 26.8% (2024: 25.7%). The headline rate for the year was 25.0% (2024: 25.0%). The overall effective tax rate was higher than the headline rate due to expenditure for which no tax relief is available, such as depreciation on properties acquired before the introduction of structures and buildings tax allowances, and acquisition costs relating to new shops, as well as the reduction in the Company's share price during the year, which results in a lower deduction available on share option exercises.

We expect the effective tax rate for 2026 to be around 26.0% and going forward the effective rate is expected to remain around one percentage point above the headline corporation tax rate. This is principally explained by expenditure for which no tax relief is available, as outlined above.

Earnings per share, cash inflow per share and dividend

Underlying diluted earnings per share in 2025 were 122.8 pence (2024: 137.5 pence per share). Including exceptional items diluted earnings per share were 119.3 pence (2024: 149.6 pence per share including net exceptional income). Diluted operating cash inflow per share grew by 4.6% in 2025 to 267.1 pence (2024: 255.4 pence).

The Board recommends a final ordinary dividend of 50.0 pence per share (2024: 50.0 pence per share). Together with the interim dividend of 19.0 pence per share (2024: 19.0 pence per share) paid in October 2025, this makes a total ordinary dividend for the year of 69.0 pence per share (2024: 69.0 pence per share). The Board recommends maintaining the ordinary dividend through this investment phase, before returning to an ordinary dividend that is covered two times by underlying diluted earnings per share. This is in line with our progressive ordinary dividend policy, which aims to increase the dividend in line with growth in underlying earnings per share.

Subject to the approval of shareholders at the AGM, the final ordinary dividend will be paid on 29 May 2026 to shareholders on the register at 1 May 2026.

Balance sheet

Capital expenditure

We invested a total of £287.5 million in capital expenditure during 2025 (2024: £249.0 million). Retail estate expenditure was lower year-on-year due to a reduction in the number of company-managed shop openings, relocations and refurbishments. Supply chain capital expenditure increased as we purchased the land for our chilled and ambient National Distribution Centre in Kettering and progressed the build of that site, whilst also continuing the fit-out of our new frozen National Distribution Centre in Derby. IT investment increased as we progressed the upgrading of our ERP system to SAP S/4HANA.

Depreciation and amortisation on property, plant and equipment and intangibles in the year was £95.4 million (2024: £80.8 million). A further £65.2 million (2024: £59.2 million) of depreciation was charged in respect of right-of-use assets on capitalised leases.

2025 was the peak year of our capital investment programme and, as previously communicated, expenditure will reduce materially from this point. Our shop opening and relocation plans mean that we will invest in circa 135 new company-managed shops in 2026 and refurbish around 45 existing company-managed shops. In our retail estate we continue to target a 25% cash return on investment on new shops and typically exceed this level after two to three years as shops mature. Our acquisition strategy is targeting shops that have higher than average sales and returns and, being mainly in new

catchments, do not impact on the sales of other shops in the estate.

Overall, we expect capital expenditure in 2026 to be around £200 million in line with previous guidance. From 2027 onwards we currently expect capital expenditure to reduce further to a range of £150-170 million. At these levels the Company's strong operating cash generation creates material capacity for cash returns.

Working capital

We ended the year with Group net current liabilities of £151.8 million (2024: £67.3 million) as our cash and cash equivalents balance was deployed in line with our capital investment plans. The stock balance was stable and debtor levels increased primarily due to sales growth. The net current liabilities position reflects supplier funding as we receive payment from company-managed shop customers ahead of paying suppliers on standard terms.

Pension scheme

The Company's closed defined benefit pension scheme has a bulk annuity 'buy-in' policy with Aviva, which provides regular payments to the scheme Trustee to fund pension payments. This significantly reduces the Company's exposure to the funding risks associated with its defined benefit pension liabilities. As a result, the scheme is in a net liability position of £0.3 million (2024: £0.4 million net liability), reflecting the largely derisked position that it now benefits from.

Cash flow and capital structure

The net cash inflow from operating activities after lease payments in the year was £273.7 million (2024: £261.9 million). The strength of cash generation reflected the growth in cash profits, excluding non-cash depreciation and amortisation charges. At the end of the year the Group had net cash and cash equivalents of £45.8 million (2024: £125.3 million), representing £70.8 million of cash and cash equivalents, offset by £25 million drawn on the Company's RCF.

Our RCF is committed until June 2028, with a further one-year extension option. The facility provides liquidity of £100 million in committed funds. Taking this into account, total available liquidity at the end of 2025 was £145.8 million (2024: £225.3 million).

Our approach to capital allocation can be described as a series of priorities:

1. **Invest to adequately maintain the business** in order to support its continued success. In normal circumstances we expect maintenance capital expenditure to be around 5% of revenue. The level of maintenance capital expenditure will reduce following the significant investment in the new sites in Derby and Kettering.
2. **Maintain a strong balance sheet**. Reflecting the inherent gearing in the Group's leaseholds and working capital we aim, in normal circumstances, to maintain a year-end net cash position of circa 3% of revenue in order to allow for seasonality in the working capital cycle and to protect the interests of all creditors.
3. **Deliver an attractive ordinary dividend** to shareholders. We continue to target a progressive ordinary dividend, normally around two times covered by underlying profit after taxation.
4. **Selectively invest to grow.** We will continue to invest in opportunities that deliver attractive returns, including the expansion of our estate and to support the generation of additional income streams where relevant.
5. **Return surplus cash to shareholders.** Where net cash on the balance sheet exceeds our minimum requirement, taking into account that reserved for growth investments, we expect to return cash to shareholders by way of either special dividends or share buybacks.

Looking forward

The significant investments we are making to support further profitable growth create short-term ROCE and margin headwinds as we bring important new sites into our supply chain in a period where underlying trading has seen pressure from market operating conditions. Our investment in additional capacity will enable Greggs to realise the medium-term opportunity to grow its estate and expand into new channels, whilst also progressing opportunities to develop additional income streams and

accelerate structural cost savings. In doing so, we remain focused on driving strong returns on capital, with consequential benefits for all our stakeholders.

Richard Hutton
Chief Financial Officer
3 March 2026

Greggs plc

Consolidated income statement

for the 52 weeks ended 27 December 2025 (2024: 52 weeks ended 28 December 2024)

	2025 Excluding exceptional items	**2025 Exceptional items (see note 3)**	**2025 Total**	2024 Excluding exceptional items £m	2024 Exceptional items (see note 3) £m	2024 Total £m
Revenue	**2,151.2**	**-**	**2,151.2**	2,014.4	-	2,014.4
Cost of sales	**(829.1)**	**-**	**(829.1)**	(770.8)	-	(770.8)
Gross profit	**1,322.1**	**-**	**1,322.1**	1,243.6	-	1,243.6
Distribution and selling costs	**(1,036.3)**	**-**	**(1,036.3)**	(950.4)	0.3	(950.1)
Administrative expenses	**(98.3)**	**(3.8)**	**(102.1)**	(97.9)	-	(97.9)
Other income	**-**	**-**	**-**	-	13.8	13.8
Operating profit	**187.5**	**(3.8)**	**183.7**	195.3	14.1	209.4
Finance income	**1.8**	**-**	**1.8**	8.1	-	8.1
Finance expense	**(17.4)**	**(0.7)**	**(18.1)**	(13.6)	-	(13.6)
Profit before tax	**171.9**	**(4.5)**	**167.4**	189.8	14.1	203.9
Income tax	**(46.1)**	**0.9**	**(45.2)**	(48.8)	(1.7)	(50.5)
Profit for the financial year attributable to equity holders of the Parent	**125.8**	**(3.6)**	**122.2**	141.0	12.4	153.4
	=======	=======	=======	=======	=======	=======
Basic earnings per share	**123.5p**	**(3.5p)**	**120.0p**	138.5p	12.2p	150.7p
Diluted earnings per share	**122.8p**	**(3.5p)**	**119.3p**	137.5p	12.1p	149.6p

Greggs plc

Consolidated statement of comprehensive income

for the 52 weeks ended 27 December 2025 (2024: 52 weeks ended 28 December 2024)

	2025 £m	2024 £m
Profit for the financial year	**122.2**	153.4
Other comprehensive income		
Items that will not be recycled to profit or loss:		
Remeasurements on defined benefit pension plans	**0.1**	(11.9)
Tax on remeasurements on defined benefit pension plans	**-**	0.9
Other comprehensive income for the financial year, net of income tax	**0.1**	(11.0)

Total comprehensive income for the financial year	**122.3**	142.4
	=======	=======

Greggs plc

Consolidated balance sheet

at 27 December 2025 (2024: 28 December 2024)

	2025 £m	2024 £m
ASSETS		
Non-current assets		
Intangible assets	**43.0**	24.9
Property, plant and equipment	**832.1**	664.7
Right-of-use assets	**413.0**	387.2
Defined benefit pension asset	**-**	-
	1,288.1	1,076.8
Current assets		
Inventories	**55.7**	55.2
Trade and other receivables	**69.4**	62.4
Cash and cash equivalents	**70.8**	125.3
	195.9	242.9
Total assets	**1,484.0**	1,319.7
LIABILITIES		
Current liabilities		
Trade and other payables	**(272.8)**	(243.9)
Current tax liabilities	**(2.1)**	(9.1)
Lease liabilities	**(62.5)**	(53.8)
Short-term provisions	**(10.3)**	(3.4)
	(347.7)	(310.2)
Non-current liabilities		
Borrowings	**(25.0)**	-
Other payables	**(1.4)**	(1.8)
Lease liabilities	**(387.3)**	(361.3)
Deferred tax liability	**(93.7)**	(72.6)
Long-term provisions	**(3.4)**	(2.9)
Defined benefit pension liability	**(0.3)**	(0.4)
	(511.1)	(439.0)
Total liabilities	**(858.8)**	(749.2)
Net assets	**625.2**	570.5
EQUITY		
Capital and reserves		
Issued capital	**2.0**	2.0
Share premium account	**25.1**	25.1
Capital redemption reserve	**0.4**	0.4
Retained earnings	**597.7**	543.0
Total equity attributable to equity holders of the Parent	**625.2**	570.5

Greggs plc

Consolidated statement of changes in equity

for the 52 weeks ended 27 December 2025 (2024: 52 weeks ended 28 December 2024)

52 weeks ended 28 December 2024

	Attributable to equity holders of the Company				
	Issued capital	Share premium	Capital redemption reserve	Retained earnings	Total
	£m	£m	£m	£m	£m
Balance at 31 December 2023	2.0	25.1	0.4	503.4	530.9
Total comprehensive income for the year					
Profit for the financial year	-	-	-	153.4	153.4
Other comprehensive income	-	-	-	(11.0)	(11.0)
Total comprehensive income for the year	-	-	-	142.4	142.4
Transactions with owners, recorded directly in equity					
Purchase of own shares	-	-	-	(5.0)	(5.0)
Sale of own shares	-	-	-	4.7	4.7
Share-based payment transactions	-	-	-	4.5	4.5
Dividends to equity holders	-	-	-	(106.8)	(106.8)
Tax items taken directly to equity	-	-	-	(0.2)	(0.2)
Total transactions with owners	-	-	-	(102.8)	(102.8)
Balance at 28 December 2024	2.0	25.1	0.4	543.0	570.5
	=======	=======	=======	=======	=======

Greggs plc

Consolidated statement of changes in equity (continued)

52 weeks ended 27 December 2025

	Issued capital	Share premium	Capital redemption reserve	Retained earnings	Total
	£m	£m	£m	£m	£m
Balance at 29 December 2024	**2.0**	**25.1**	**0.4**	**543.0**	**570.5**
Total comprehensive income for the year					
Profit for the financial year	**-**	**-**	**-**	**122.2**	**122.2**
Other comprehensive income	**-**	**-**	**-**	**0.1**	**0.1**
Total comprehensive income for the year	**-**	**-**	**-**	**122.3**	**122.3**
Transactions with owners, recorded directly in equity					
Sale of own shares	**-**	**-**	**-**	**1.6**	**1.6**
Share-based payment transactions	**-**	**-**	**-**	**1.5**	**1.5**
Dividends to equity holders	**-**	**-**	**-**	**(70.3)**	**(70.3)**
Tax items taken directly to equity	**-**	**-**	**-**	**(0.4)**	**(0.4)**
Total transactions with owners	**-**	**-**	**-**	**(67.6)**	**(67.6)**
Balance at 27 December 2025	**2.0**	**25.1**	**0.4**	**597.7**	**625.2**
	=======	=======	=======	=======	=======

Greggs plc

Consolidated statement of cash flows

for the 52 weeks ended 27 December 2025 (2024: 52 weeks ended 28 December 2024)

	Group	
	2025	2024 (Restated)
	£m	£m
Operating activities		
Cash generated from operations (see below)	**383.7**	352.6
Income tax paid	**(31.5)**	(27.7)
Interest received	**2.1**	7.7
Interest paid on lease liabilities	**(16.7)**	(13.0)
Interest paid on borrowings and other related charges	**(0.6)**	(1.0)
Net cash inflow from operating activities	**337.0**	318.6
Investing activities		
Acquisition of property, plant and equipment	**(263.3)**	(230.0)
Acquisition of intangible assets	**(22.1)**	(10.9)
Proceeds from sale of property, plant and equipment	**0.9**	16.1
Net cash outflow from investing activities	**(284.5)**	(224.8)
Financing activities		
Proceeds from borrowing	**40.0**	-
Repayments of borrowing	**(15.0)**	-
Sale of own shares	**1.6**	4.7
Purchase of own shares	**-**	(5.0)
Dividends paid	**(70.3)**	(106.8)
Repayment of principal on lease liabilities	**(63.3)**	(56.7)
Net cash outflow from financing activities	**(107.0)**	(163.8)
Net (decrease) in cash and cash equivalents	**(54.5)**	(70.0)
Cash and cash equivalents at the start of the year	**125.3**	195.3
Cash and cash equivalents at the end of the year	**70.8**	125.3
	=======	=======

There has been a voluntary change in accounting policy whereby interest received has been included as an operating activity instead of an investing activity, which the Group considers better reflects the nature of the cash inflows. The prior year total for net cash inflow from operating activities has been increased by £7.7million with a corresponding decrease in net cash outflow from investing activities. There

is no change to the net decrease in cash and cash equivalents in 2024.

Consolidated statement of cash flows - cash generated from operations

	2025 £m	2024 £m
Profit for the financial year	**122.2**	153.4
Amortisation	**4.7**	4.2
Depreciation - property, plant and equipment	**90.7**	76.6
Depreciation - right-of-use assets	**65.2**	59.2
Net impairment charge - property, plant and equipment	**3.9**	2.9
Impairment charge - right-of-use assets	**3.0**	2.1
Loss / (profit) on sale of property, plant and equipment	**1.7**	(11.8)
Release of government grants	**(0.5)**	(0.5)
Share-based payment expenses	**1.5**	4.5
Finance income	**(1.8)**	(8.1)
Finance expense	**18.1**	13.6
Income tax expense	**45.2**	50.5
Increase in inventories	**(0.4)**	(6.4)
Increase in receivables	**(7.4)**	(8.1)
Increase in payables	**31.6**	24.9
Increase in provisions	**6.0**	0.1
Defined benefit pension scheme special contribution	**-**	(4.5)
Cash generated from operations	**383.7**	352.6

1. Basis of preparation and accounting policies

The preliminary announcement has been prepared in accordance with international accounting standards in conformity with the requirements of the Companies Act 2006 and, as regards the Group accounts, UK-adopted International Accounting Standards. It does not include all the information required for full annual accounts.

The financial information set out above does not constitute the Company's statutory accounts for the years ended 27 December 2025 or 28 December 2024 but is derived from these accounts. Statutory accounts for the 52 weeks ended 28 December 2024 have been delivered to the registrar of companies, and those for the 52 weeks ended 27 December 2025 will be delivered in due course. The auditor has reported on those accounts; the audit reports were (i) unqualified, (ii) did not include a reference to any matters to which the auditor drew attention by way of emphasis without qualifying their report and (iii) did not contain a statement under section 498 (2) or (3) of the Companies Act 2006.

The preliminary announcement has been prepared using the accounting policies published in the Group's accounts for the 52 weeks ended 28 December 2024, which are available on the Company's website **www.greggs.co.uk**. From 29 December 2024 the following amendment was adopted by the Group:

- Lease liability in sale and leaseback - Amendments to IFRS 16
- Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 17

The adoption of these standards did not have a material effect on the accounts.

Going concern

The Directors have considered the adoption of the going concern basis of preparation for these accounts in the context of recent trading performance, macro-economic conditions and the trading outlook of the Group. At the end of the reporting period the Group had available liquidity totalling £145.8 million, comprised of cash and cash equivalents of £70.8 million (including a £25.0 million drawdown on the revolving credit facility ("RCF")) plus the undrawn element of the RCF of £75.0 million, which is committed to June 2028 with a further one-year extension option. The RCF includes financial covenants that the Group must comply with related to maximum leverage and a minimum fixed charge cover.

The Directors have reviewed cash flow forecasts prepared for the period up to December 2027 as well as covenant compliance for that period. In reviewing the cash flow forecasts the Directors considered the current trading performance of the Group and the likely capital expenditure and working capital requirements of its growth plans.

After reviewing these cash flow forecasts and making enquiries, the Directors are confident that the Company and the Group will have sufficient funds to continue to meet their liabilities as they fall due for at least 12 months from the date of approval of the accounts.

Accordingly, they continue to adopt the going concern basis in preparing the annual report and accounts.

Consideration of climate risk matters

The Group continues to assess the impact of climate risk matters on many aspects of the business, including climate-related scenario analysis as required by the Task Force on Climate-related Financial Disclosures. Building on this scenario analysis, consideration has been given to the impact of climate-related risk on management judgements and estimates, and compliance with existing accounting requirements. Any incurred costs and investments associated with our sustainability strategy are reflected in the Group's accounts. The impact of climate-related risk matters is not expected to be material to these consolidated accounts, the Group going concern assessments to December 2027, or the viability of the Group over the next three years.

Judgements and estimates

In preparing this preliminary announcement, management have made judgements and estimates that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

Impairment (estimation)

Property, plant and equipment and right-of-use assets are reviewed for impairment if events or changes in circumstances indicate that the carrying value may not be recoverable. For example, shop fittings and right-of-use assets may be impaired if sales in that shop fall. When a review for impairment is conducted the recoverable amount is estimated based on the higher of the value-in-use calculations or fair value less costs of disposal. Value-in-use calculations are based on management's estimates of future cash flows generated by the assets and an appropriate discount rate. Consideration is also given to whether the impairment assessments made in prior years remain appropriate based on the latest expectations in respect of recoverable amounts. Where it is concluded that the impairment has reduced, a reversal of the impairment is recorded to the carrying value that would have been recognised if the original impairment had not occurred, net of depreciation that would have been charged.

The Group has traded profitably throughout 2025; however volumes have been under pressure from reduced consumer spending impacting the wider food-to-go market. The volume pressure and increased fixed costs related to manufacturing, logistics and technology capacity have resulted in profit before tax excluding exceptionals reducing by 9.4% to £171.9 million. Despite this fall in profits the Group remains highly cash generative with the net cash inflow from operating activities after lease payments increasing to £273.7 million (2024: £261.9 million). As such there is not considered to be a global indicator of impairment across the Group's asset base. Where indicators of impairment exist for specific cash-generating units (CGUs), with each individual shop considered a CGU, then an impairment review has been performed to calculate the recoverable value. The Group as a whole (comprising both company-managed shops and business-to-business) is also considered a group of CGUs for impairment testing purposes.

For those shops with indications of impairment, the value-in-use has been calculated using the following assumptions:

- Like-for-like sales for shops with more than two years trade has been assumed to grow at a rate of 2.4% for year one of the period of the impairment review, reducing to 1.5% for years two and three, before increasing to 3.0% in years four and five as volumes are assumed to recover. No growth has been assumed for year six onwards;
- Earnings before interest, tax, depreciation, amortisation and rent (EBITDAR) is used as a proxy for net cash flow excluding rental payments;
- In valuing individual shop CGUs, central overheads have been allocated to the CGUs to the extent that management consider them to be directly attributable or capable of being reasonably allocated with reference to shop sales, in order to assess recoverability of those shop assets. The group of CGUs as described above is then assessed for impairment considering all overheads of the business, including those not allocated to individual shop CGUs;
- The discount rate is based on the Group's pre-tax cost of capital and at 27 December 2025 was 9.5% (28 December 2024: 10.0%); and
- Cash flows are forecast up to the probable end date of the lease. Where considered appropriate, based on the estimated useful lives of fixtures and fittings within the CGU, cash flows may be included for periods beyond the lease probable end date (to a maximum of five years in total).

On the basis of these assumptions, a net impairment charge of £6.9 million has been recognised during the current year (2024: £5.0 million), of which £3.9 million relates to fixtures and fittings and £3.0 million relates to right-of-use assets. The total impairment provision as at 27 December 2025 is £13.9 million (2024: £9.5 million) in respect of 167 shops (2024: 109 shops), of which £7.0 million relates to fixtures and fittings and £6.9 million relates to right-of-use assets.

Change in Accounting Estimate

During 2025 the value-in-use calculations have been updated to reflect the latest assessment of overhead allocations alongside updating the other inputs detailed above. The revised approach to allocating overheads (retail, supply chain and corporate overheads) between individual shop CGUs and the group of CGUs better aligns to the Group's assessment of central overheads, reflecting on the ongoing investment in the central estate, a growing business-to-business segment, overheads incurred

in respect of growing the company-managed estate and overheads related to exploring other growth opportunities. If the previous method of allocating overheads had been applied to the value-in-use calculations for 2025, the impairment charge in 2025 would be higher by £8.9 million; however the approach taken in 2025 is considered a more appropriate basis for the reasons outlined above. If the 2025 methodology for overhead allocation had been applied to the prior year value-in-use calculations, whilst leaving all other inputs to the calculations unchanged, the impact on the 2024 impairment charge would have been immaterial.

Given the uncertainties in the impairment model, the sensitivities of these assumptions on the impairment calculation have been tested:

- A 1% increase in the discount rate would result in an increased impairment of £1.0 million, with an additional three shops impaired. A 1% decrease in the discount rate would result in a reduced impairment of £1.0 million, with six fewer shops impaired.
- A 5% increase in the year one like-for-like assumption would result in a reduced impairment of £4.7 million with 35 fewer shops impaired. A 5% decrease in the year one like-for-like assumption would result in an increased provision of £6.5 million with an additional 37 shops impaired.

Determining the rate used to discount property lease payments (judgement)

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, 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. As the Group had no suitable external borrowings from which to determine that rate, judgement is required to determine the incremental borrowing rate to be used. Given the volume of lease events and for simplicity, at the start of each month a risk-free rate is obtained, linked to the length of the lease and an adjustment is then made to reflect credit risk. This rate is applied to new leases and modifications arising in that month. During the year discount rates in the range 5.2% to 6.3% (2024: 5.1% to 6.1%) were used. Small changes in the discount rate would have an immaterial impact on the accounts. A 0.1% change in the discount rate used for each lease is estimated to adjust the total liabilities by circa £2.3 million.

Determining the lease term of property leases (judgement)

At the commencement date of property leases, and based on previous experience, the Group normally determines the lease term to be the full term of the lease, assuming that any option to break or extend the lease is unlikely to be exercised and it is not reasonably certain that the Group will continue in occupation for any period beyond the lease term. Leases are regularly reviewed and will be revalued if it becomes reasonably certain, as a result of trading performance and/or further investment in the property, that a break clause or option to extend the lease will be exercised.

The leases typically run for a period of 10 or 15 years. In England and Wales, the majority of the Group's property leases are protected by the Landlord and Tenant Act 1954 (LTA) which affords protection to the lessee at the end of an existing lease term.

Judgement is required in respect of those property leases where the current lease term has expired but the Group has not yet renewed the lease. Where the Group believes renewal to be reasonably certain and the lease is protected by the LTA it will be treated as having been renewed at the date of termination of the previous lease term and on the same terms as the previous lease. Where renewal is not considered to be reasonably certain the leases are included with a lease term which reflects the anticipated notice period under relevant legislation. The lease will be revalued when it is renewed to take account of the new terms. As at 27 December 2025 the financial effect of applying this judgement was an increase in recognised lease liabilities of £37.5 million (28 December 2024: £27.0 million).

Post-retirement benefits - defined benefit obligation (estimation)

The determination of the defined benefit obligation of the Group's defined benefit pension scheme depends on the selection of certain assumptions with significant estimation uncertainty including the discount rate, inflation rate, mortality rates and commutation. Differences arising from actual experience or future changes in assumptions will be reflected in future years.

2. Segmental analysis

The Executive Directors are considered to be the 'chief operating decision maker' of the Group in the context of the IFRS 8 definition. In addition to its company-managed retail activities, the Group generates revenues from its business-to-business channel which includes franchise and wholesale activities. Both channels were categorised as reportable segments for the purposes of IFRS 8.

Company-managed retail activities - the Group sells a consistent range of fresh bakery goods, sandwiches and drinks in its own shops or via delivery. Sales are made to the general public on a cash basis. All results arise in the UK.

Business-to-business channel - the Group sells products to franchise and wholesale partners for sale in their own outlets as well as charging a licence fee to franchise partners. These sales and fees are invoiced to the partners on a credit basis. All results arise in the UK.

All revenue in 2025 and 2024 was recognised at a point in time.

The Executive Directors regularly review the revenues and trading profit of each segment. They receive information on overheads, assets and liabilities on an aggregated basis consistent with the Group accounts.

	2025	**2025**	**2025**	2024	2024	2024
	Retail company-managed shops	**Business to business**	**Total**	Retail company-managed shops	Business to business	Total
	£m	**£m**	**£m**	£m	£m	£m
Revenue	**1,897.2**	**254.0**	**2,151.2**	1,781.7	232.7	2,014.4
Cost of sales	**(581.6)**	**(135.0)**	**(716.6)**	(533.0)	(127.0)	(660.0)
	=======	=======	========	=======	=======	========
Gross profit	**1,315.6**	**119.0**	**1,434.6**	1,248.7	105.7	1,354.4
Supply costs	**(203.1)**	**(50.3)**	**(253.4)**	(191.4)	(48.5)	(239.9)
Retail costs	**(861.1)**	**(2.2)**	**(863.3)**	(780.0)	(1.7)	(781.7)
	=======	=======	========	=======	=======	========
Trading profit	**251.4**	**66.5**	**317.9**	277.3	55.5	332.8
Overheads including profit share			**(146.8)**			(150.4)
Add back lease interest			**16.4**			12.9
Operating profit before exceptional items			**187.5**			195.3
Finance income			**1.8**			8.1
Finance expense			**(17.4)**			(13.6)
Profit before tax (excluding exceptional items)			**171.9**			189.8
Exceptional items (see note 3)			**(4.5)**			14.1
Profit before tax			**167.4**			203.9
			=======			=======

3. Exceptional items

The exceptional items are as follows:

	2025 £m	2024 £m
Redundancy / dilapidations provisions no longer required	**-**	0.3

Profit on disposal of Twickenham bakery site (net of fees)	**-**	13.8
Prior year VAT underpayment	**(4.5)**	-
	(4.5)	14.1
	=======	=======

4. Taxation

Recognised in the income statement

	2025 Excluding exceptional items £m	**2025 Exceptional items (see note 3) £m**	**2025 Total £m**	2024 Excluding exceptional items £m	2024 Exceptional items (see note 3) £m	2024 Total £m
Current tax						
Current year	**27.3**	**(0.9)**	**26.4**	26.3	-	26.3
Adjustment for prior years	**(1.6)**	**-**	**(1.6)**	7.1	-	7.1
	25.7	**(0.9)**	**24.8**	33.4	-	33.4
Deferred tax						
Origination and reversal of temporary differences	**18.9**	**-**	**18.9**	22.3	1.7	24.0
Adjustment for prior years	**1.5**	**-**	**1.5**	(6.9)	-	(6.9)
	20.4	**-**	**20.4**	15.4	1.7	17.1
Total income tax expense in income statement	**46.1**	**(0.9)**	**45.2**	48.8	1.7	50.5
	=======	**=======**	**=======**	=======	=======	=======

5. Earnings per share

Basic earnings per share

Basic earnings per share for the 52 weeks ended 27 December 2025 is calculated by dividing profit attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the 52 weeks ended 27 December 2025 as calculated below.

Diluted earnings per share

Diluted earnings per share for the 52 weeks ended 27 December 2025 is calculated by dividing profit attributable to ordinary shareholders by the weighted average number of ordinary shares, adjusted for the effects of all dilutive potential ordinary shares (which comprise share options granted to employees) in issue during the 52 weeks ended 27 December 2025 as calculated below.

Profit attributable to ordinary shareholders

	2025 Excluding exceptional items £m	**2025 Exceptional items (see note 3) £m**	**2025 Total £m**	2024 Excluding exceptional items £m	2024 Exceptional items (see note 3) £m	2024 Total £m
Profit for the financial year attributable to equity holders of the Parent	**125.8**	**(3.6)**	**122.2**	141.0	12.4	153.4
	=======	=======	=======	=======	=======	=======
Basic earnings per share	**123.5p**	**(3.5p)**	**120.0p**	**138.5p**	**12.2p**	**150.7p**
Diluted earnings per share	**122.8p**	**(3.5p)**	**119.3p**	**137.5p**	**12.1p**	**149.6p**

Weighted average number of ordinary shares

	2025 Number	2024 Number
Issued ordinary shares at start of year	**102,255,675**	102,255,675
Effect of own shares held	**(366,219)**	(480,247)
Weighted average number of ordinary shares during the year	**101,889,456**	101,775,428
Effect of share options in issue	**593,439**	782,816
Weighted average number of ordinary shares (diluted) during the year	**102,482,895**	102,558,244
	=========	=========

6. Dividends

The following tables analyse dividends when paid and the year to which they relate:

	2025 Per share	2024 Per share

	pence	pence
2023 final dividend	**-**	46.0p
2023 special dividend	**-**	40.0p
2024 interim dividend	**-**	19.0p
2024 final dividend	**50.0p**	-
2025 interim dividend	**19.0p**	-
	69.0p	105.0p
	=======	=======

The proposed final dividend in respect of 2025 amounts to 50.0 pence (£50.9 million). This dividend is not included as a liability in these accounts.

	2025 £m	2024 £m
2023 final dividend	**-**	46.8
2023 special dividend	**-**	40.7
2024 interim dividend	**-**	19.3
2024 final dividend	**50.9**	-
2025 interim dividend	**19.4**	-
	70.3	106.8
	=======	=======

7. Related parties

The Group has a related party relationship with its subsidiaries, associates, Directors and executive officers and pension schemes.

There have been no related party transactions in the year which have materially affected the financial position or performance of the Group.

8. Principal risks and uncertainties

Effective risk management is a key part of our strategic thinking and supports our business operations in the delivery of our objectives. Having a robust risk management process in place also helps the Board to comply with its obligations as set out in the UK Corporate Governance Code 2024.

Risk management and internal control

Risk management is a key step in our business processes, supporting our decision making and the delivery of our strategy. Risks cannot be avoided, but good risk management ensures that they are mitigated to an acceptable level, in line with our agreed risk appetite. Managing our risks helps us to protect our colleagues, our customers and our reputation.

Roles & responsibilities

The various roles within the risk management process are set out below:

Role		**Responsibilities**
Direction & Oversight	Main Board	• Confirms the effectiveness of our material controls in line with UK Corporate Governance Code 2024 requirements. • Ultimately accountable for ensuring that risks are identified and appropriately managed. • Approves the risk appetite and other policies. • Provides oversight and assurance for risk management. • Ensures an appropriate risk culture is embedded through the "tone at the top".
	Audit	• Monitors the Greggs' risk management and internal

	Committee	control approach and undertakes a review of its effectiveness on behalf of the Main Board. • Challenges the Principal Risk disclosure.
Ownership & Monitoring	Risk Committee	• Undertakes proactive risk management reviews and ensures risk mitigation measures are put in place to manage significant risks appropriately. • Reviews current risks and controls and the need for additional actions. • Agrees and monitors actions to mitigate risks. • Discusses new and emerging risks. • Makes decisions on business cases for additional risk treatment options.
	Operating Board	• Owns and manages significant risks, which are reviewed and validated bi-annually. • Escalates any functional risks. • Identifies risks which may prevent the achievement of objectives.
Day to day risk management	Risk & Process Owners	• Responsible for managing any assigned risks. This will include: ○ ensuring that risks are assessed on a regular basis and remain within Greggs' risk appetite. ○ putting in place adequate levels of controls. ○ enhancing controls where required. • Ensures compliance with policies and procedures.
Assurance	Risk Management team	• Responsible for the overall Risk Management Framework and proposing amendments / developments to the Risk Committee. • Manages the corporate risk register. • Provides support to Greggs' business areas and individual risk owners to enable them to effectively manage risks. • Reviews information provided by the risk owners.
Independent overview	Internal Audit team	• Provides independent assurance on the effectiveness of risk management and internal controls. • Challenges current risk management practices to confirm their adequacy.

Our risk management approach

Our core risk management process remains consistent with prior years - this is now well established and embedded. There have been no significant changes, though we do continue to develop and improve our framework.

Identify: Risks are identified from both "top-down" and "bottom-up" by the groups set out above. We hold workshops with the relevant teams to record and update risks at a functional level. More significant risks are recorded in our strategic risk register and are the responsibility of the Risk Committee. New and emerging risks are considered at least quarterly.

Assess: We describe each risk in our registers and allocate an owner. We record the key controls for each risk and assess their effectiveness. The likelihood and impact of each risk arising is then determined, both before and after the introduction of mitigating controls. Each of our functional heads is responsible for their own risk register, which is produced in a manner consistent with the strategic register. Functional risk registers are reviewed at least twice per year.

Respond: Each risk owner is responsible for ensuring that appropriate mitigating controls remain in place, as well as identifying actions to further mitigate risk where necessary (for example if the risk is outside our appetite level).

Monitor & report: The Risk Committee (all members of our Operating Board plus key heads of business functions) meets at least quarterly. We conduct a formal review of our key strategic risks at least twice a year, with input and update from each of the risk owners. Our business assurance team provide support to the process and also provide an independent opinion on the effectiveness of controls within the internal audit programme. An update on the risk process is provided to each Audit Committee meeting, with an annual update to the Main Board.

Developments in 2025

The Risk Committee has met four times during the year. The focus of meetings outside standing agenda items has been on material controls and contingency plans for business-critical activities. We have continued to include break-out sessions within each meeting where possible, to allow an

opportunity for debate and discussion.

Our one page "risk dashboard" developed last year remains a key part of our risk communication process. As well as providing a monthly summary of key issues to the Operating Board, the content is now also shared with the Heads of Function via our SharePoint site and presented to the Main Board via the Company Secretary's report.

Having conducted an externally facilitated fraud risk review last year, the output is now reviewed by the relevant risk owners in line with all other risks. However, we also considered broader fraud risk as the breakout topic in our October Risk Committee meeting. Existing fraud risks were considered by the Committee, to identify any omissions. As a result, an additional fraud risk workshop looking at international expansion was held, and the output documented. Our fraud risk assessment policy and procedure do not require a formal review until January 2027, having only been documented during 2025.

As we started to identify opportunities within our climate risk discussions, we considered whether this should be incorporated within our standard risk approach as good practice. A small working group was set up to consider the approach and agreed that at present it was appropriate to restrict the recording of opportunities to climate risks. We will consider a wider rollout in time, if there is a demonstrable benefit to doing so.

Our Enterprise Risk Management (ERM) policy and procedure have been reviewed and updated to reflect the above changes. Both documents have been reviewed and approved by the Risk Committee at its January meeting, in line with our normal governance process.

Although we continue to refine our methodology, we are confident that the process in place during 2025 was sufficiently robust to ensure that our risks were being appropriately managed.

Having defined our risk appetite for the first time in 2024, we have made changes to our methodology in 2025, to make the model a better fit to the business. Our original appetite was measured on a 5-point scale. However, this proved to be inconsistent with how the ERM framework operates in practice. Following further consultation, we have agreed a change to a 3-point scale. We have also amended our risk assessment heat map to a 3-point scale for consistency.

We have maintained a "low" overall risk appetite, driven by a strong commitment to safety, compliance and long-term sustainability. Although we allocated a separate risk appetite to each of our risk types, a rating of "low" was agreed for all ten.

Material controls

Identifying and documenting our material risks and associated controls has been a key area of focus for us this year, and this has been included on the agenda at all our Risk Committee and Audit Committee meetings.

For each material control, we have identified and documented our assurance sources, along with relevant evidence of the control being operational. Our Business Assurance team has then audited the stated sources of evidence to assess compliance at the end of 2025. The Audit Committee has confirmed that it is satisfied with the level of assurance provided.

Our Audit Committee will receive bi-annual updates on our material controls during 2026. This will ensure that our Board is able to comply with the requirements of the UK Corporate Governance Code 2024 at the end of the current financial year, and confirm the effectiveness of the material controls.

Climate risks

Our climate related risks are integrated within our risk management process and are captured within our strategic and functional registers. Our Sustainability Reporting Steering Group has responsibility for ensuring that risks and opportunities are considered and recorded in a consistent way.

We remain of the view that our strategic risk of "a failure to effectively respond to climate related impacts on our business" does not constitute a principal risk within the time horizon of our current plans.

Emerging risks

We formally review and discuss any emerging risks as part of our quarterly Risk Committee's rolling agenda. Many of these risks are identified during ongoing discussions across the business. This helps to anticipate and prepare for any changes.

Various sources of information are used to ensure this is as complete as possible, including:

- Horizon scanning by subject matter experts throughout the business, with issues identified being recorded in our monthly risk dashboard for consideration by Operating Board;
- Engaging with senior colleagues in the business to discuss any areas of concern within their remit;
- Monitoring customer and consumer trends both internally and externally;
- Taking input from our advisors and other specialists with whom we work.

Examples of emerging and escalating risks identified during the year include IT outages (including those suffered by our key suppliers), geopolitical impacts, increasing use of Artificial Intelligence and economic conditions.

Emerging risks continue to be reported to the Main Board each quarter.

Changes to principal risk disclosures

A principal risk is one which can seriously affect our performance, future prospects or reputation, taking into account the potential impact and likelihood of occurrence. Not all of our strategic risks are considered to be principal risks, only those which would have a significant impact on our ongoing viability within the timeframe of our strategic plan. Principal risks are discussed and monitored at least quarterly, through the mechanisms set out above.

Following the definition of our material risks (as described above), we have reflected on our principal risk disclosure, and agreed that we should include a financial risk relating to liquidity. This is based upon a potential inability to access the necessary liquidity facilities to support the deliver of our strategic plans.

The risk relating to internal business interruption has decreased, as we consider the impact of any such issue has been reduced by our mitigating actions. We recognise that the overall level of cyber risk in the market has increased, although we continue to take significant steps to improve our controls and strengthen our resilience. All other principal risks remain unchanged in their assessed level of net risk.

The following table sets out the principal risks, shows the movement during the year, and describes the impact and key mitigations. The list is not in priority order, and does not include all the risks which we face. Other risks which are not included here could also have a negative impact on the business, including those which are not presently known to us and those which are considered less material. The position described below is a summary at the time of publishing this report.

Principal risks and uncertainties

Risk & description	Impact	Key mitigations	Links to strategy	Movement
Business interruption event - product availability				
We could suffer a significant reduction in product availability as a result of the total loss of capacity at a key production facility. **Category: Operational**	We would potentially be unable to supply our customers with our full range of products for a period of time. This would primarily impact our own customers, including those of our franchise partners, but also potentially our wholesale sales.	We have contingency plans in place for our sites, which are reviewed and tested periodically. Key product lines are prioritised in the event of any issues. We are continuing to roll out a standardised Business Continuity Management approach across our supply sites.	1,2,3 4,5	Decrease

		Our diversified product range provides alternatives for our customers in the event of items being unavailable. Flexibility and spare capacity within our network enables us to continue our operations at other sites. We also monitor surplus capacity across the market. We liaise regularly with insurers and our broker, particularly when designing new sites or improving existing premises. This ensures that our facilities meet the expected standards.		

Risk & description	Impact	Key mitigations	Links to strategy	Movement
Supply chain disruption				
Supply from a key third party could be interrupted. This could be a result of issues such as external business interruption, geopolitical instability, or a food safety concern. **Category: Food Safety / Strategic**	A prolonged outage or other significant issue at one of our key suppliers or within their supply chain could impact on our ability to produce some of our range, or otherwise affect our ability to operate.	We avoid single source supply for key ingredients as far as possible, with risk mitigations plans in place where necessary. Stock holdings of ingredients and key equipment provides contingency in the event of an interruption to supply. If we suffer any significant interruptions, we are quick and agile in our response to find alternatives. These processes are regularly tested by our teams. Relationships with suppliers are managed centrally by our Procurement teams, including a risk assessment process. Governance processes and supplier audits confirm compliance with our standards.	1,2,3 4,5	No change

Risk & description	Impact	Key mitigations	Links to strategy	Movement
Cyber & data security incident				
Our IT infrastructure may be affected by a cyber incident, resulting in a data breach, or the confidentiality / integrity of our data being impacted. **Category: Information Security**	We could suffer a significant loss of data, resulting in litigation and fines. Data may be unavailable or lost, making it difficult for us to operate.	We work with third parties who provide expertise and support, ensuring that our controls are appropriate. This includes a Security Operations Centre monitoring our networks around the clock, along with regular penetration testing. Our technical measures are constantly reviewed and updated in line with changing requirements and recognised information security control sets. This is confirmed by various external assessments. We train and test our colleagues to improve awareness and strengthen our detection and prevention, including phishing simulations.	2,3,4	No change
Prolonged system downtime/ interruption				
Our reliance on technology means that system interruptions and cyber incidents are potentially more disruptive, with a more significant impact on business operations. **Category: Operational**	IT products and services which are needed to support our operations business-critical activities may be lost for a prolonged period. This could lead to extended business disruption.	We work with external partners to ensure we have access to specialist support and expertise. We monitor the external environment, taking learnings from other organisations and enhancing our controls and response accordingly. We continue to move towards more cloud-based solutions across our operations, which increases resilience within our network. We have identified our most critical business activities and have an ongoing programme which continually improves our business continuity and disaster recovery capability.	2,3,4	Increase

Risk & description	Impact	Key mitigations	Links to strategy	Movement
Deterioration of relationship with key partner				
Our strategy and goals may not be fully aligned with those of our partners in franchise, grocery retail or delivery. **Category: Strategic**	This would limit our ability to offer our service in locations where our customers want us to be. Performance could be affected, with targets not being met. This in turn could damage our brand reputation.	We work with a number of respected partners, avoiding undue reliance on any one individual organisation. Contracts and service level agreements are in place. Ongoing performance is measured and robust action taken promptly if our standards are not met. Regular dialogue at a senior level ensures an alignment of goals, and early identification of any issues.	1,2,3 4	No change

Risk & description	Impact	Key mitigations	Links to	Movement

			strategy	
Ability to attract / retain / motivate people				
We may be unable to attract and retain the right talent within Greggs to maintain our culture and operate as our customers expect. **Category: Operational**	We may be unable to continue to deliver our existing product range and service standards. Higher staff turnover creates a need for additional recruitment, in turn increasing workload and training requirements. Ultimately, we may be unable to grow the business in line with our strategy.	We recognise that our people are a key asset to the business. We offer competitive packages, comprehensive training and development opportunities, as well as additional benefits. Colleagues have a range of ways to communicate their ideas for improvement, including our annual opinion survey and listening groups. This helps to maintain positive relations and an open culture. Efficient recruitment processes leveraging technology allow us to fill vacancies quickly and effectively.	1,2,3 4,5	No change

Risk & description	Impact	Key mitigations	Links to strategy	Movement
Damage to reputation				
There is greater risk of damage to our reputation by internal or external sources as our brand profile grows. **Category: Reputational**	Customers could lose their trust in the brand, impacting on our ability to deliver our strategy. Shareholder value could be reduced.	Policies and guiding principles are in place to control our use of the brand. Our colleagues are given training, advice and guidance on dealing with customers and other contacts. We have a robust well-established crisis management process in place, which we test regularly. This is supported by appropriate third parties (such as PR agencies, insurers etc) where specialist advice is required.	2,3	No change

Risk & description	Impact	Key mitigations	Links to strategy	Movement
Significant Food Safety incident / product quality issue				
We may produce and/or sell products which are unsafe, or not of the appropriate quality. This could be a result of incorrect labelling of allergens, product contamination, or a failure to comply with procedures. **Category: Food Safety**	There could be harm to our customers or colleagues. Our brand reputation could be significantly impacted, which in turn would affect our sales performance. We could also be exposed to significant fines.	External suppliers of products with a food safety risk must comply with our manufacturing standard Robust Food Safety management systems and policies are in place, independently assured by our Primary Authority. Our teams are trained in accordance with our policies, across all levels of the business. Audits are undertaken by our internal teams, and external bodies, with a focus on Food Safety compliance. These cover both production and retail processes. Our manufacturing sites are independently accredited by a third party. Allergen guides are available to our customers.	1,2,3,4,5	No change
Changes in the regulatory landscape				
New regulatory requirements could be implemented, driven by environmental, health or other concerns. **Category: Governance, Legal & Regulatory**	We may need to take action such as introducing new products to our range, or changing our approach to advertising or promotions. Without an ability to respond quickly, we could lose market share, or face regulatory action.	Our teams undertake regular horizon scanning activities, and we receive advisory information across all professional disciplines. We put appropriate policies and procedures in place to manage key risk areas. We monitor upcoming legislative changes through Trade Associations and government bodies. Participating in industry forums gives us an opportunity to influence decision making.	1, 2, 3, 4	No change
Risk & description	**Impact**	**Key mitigations**	**Links to strategy**	**Movement**
Financial liquidity				
The business may not be able to access the liquidity facilities required to deliver on its plans. **Category: Financial**	Investment plans may have to be delayed in order to prioritise our financial commitments to our employees, suppliers and property providers.	We have discretion over our uncommitted investment plans and can reduce capital expenditure in the short term to improve liquidity. Credit customers are vetted before being approved and then their payment performance is regularly monitored to ensure compliance with agreed terms. A committed Revolving Credit Facility is in place, with significant undrawn capacity. Treasury policies control access to finance and security limits for cash deposits. Reporting and approval controls provide	1, 2, 3, 4	New

		management and the Board with visibility of the current financial position of the business and its medium-term liquidity expectations.		

"Links to strategy" key:

1 Great tasting, freshly prepared food, 2 Best customer experience, 3 Competitive supply chain, 4 First class support teams, 5 The Greggs Pledge

9. Alternative Performance Measures

In monitoring and assessing the Group's performance, the Directors use a number of Alternative Performance Measures (APMs) which are not defined by IFRS. These measures provide additional insight into the underlying performance of the business by excluding items that are material and / or unusual in nature or non-recurring, and which could otherwise distort period-on-period comparisons. APMs should be considered alongside the IFRS measures and may not be directly comparable with those used by other companies.

Like-for-like (LFL) sales growth - compares year-on-year cash sales in our company-managed shops, with more than one calendar year's trading history and is calculated as follows:

	2025 £m	2024 £m
Current year LFL sales	**1,679.0**	1,564.0
Prior year LFL sales	**1,639.7**	1,483.1
Growth in LFL sales	**39.3**	80.9
LFL sales growth percentage	**2.4%**	5.5%

Like-for-like sales can be reconciled to total revenue as follows:

	2025 £m	2024 £m
LFL sales in company-managed shops	**1,679.0**	1,564.0
Non-LFL sales in company-managed shops	**218.2**	217.7
Total revenue in retail company-managed shops	**1,897.2**	1,781.7
Business to business sales	**254.0**	232.7
Total revenue	**2,151.2**	2,014.4

Franchise like-for-like ('FLFL') system sales growth - compares year-on-year cash sales in our franchised shops, with more than one calendar year's trading history and is calculated as follows:

	2025	2024

	£m	£m
Current year FLFL sales	**325.6**	280.1
Prior year FLFL sales	**312.2**	260.8
Growth in FLFL sales	**13.4**	19.3
FLFL sales growth percentage	**4.3%**	7.4%

Franchise system sales are different from revenue. They are the sales made in our franchised shops whereas the Company's revenue from business-to-business sales comprises sales of products to franchise and wholesale partners together with the licence fee charged to franchise partners.

Return on capital employed - calculated by dividing profit before tax by the average total assets less current liabilities for the year

	2025 Underlying £m	**2025 Including exceptional items (see note 3) £m**	2024 Underlying £m	2024 Including exceptional items (see note 3) £m
Profit before tax	**171.9**	**167.4**	189.8	203.9
Capital employed:				
Opening	**1,009.5**	**1,009.5**	857.2	857.2
Closing	**1,136.3**	**1,136.3**	1,009.5	1,009.5
Average	**1,072.9**	**1,072.9**	933.4	933.4
Return on capital employed	**16.0%**	**15.6%**	20.3%	21.8%

Net cash inflow from operating activities after lease payments - calculated by deducting the repayment of principal of lease liabilities from net cash flow from operating activities

	2025 £m	2024 (Restated) £m
Net cash inflow from operating activities	**337.0**	318.6
Repayment of principal of lease liabilities	**(63.3)**	(56.7)
Net cash inflow from operating activities after lease payments	**273.7**	261.9

Diluted operating cash inflow per share - calculated as net cash inflow from operating activities after lease payments (see above) divided by the diluted weighted average number of ordinary shares during the year

	2025	2024
Net cash inflow from operating activities after lease	**£273.7m**	

payments		£261.9m
Weighted average number of ordinary shares (diluted) during the year	**102,482,895**	102,558,244
	-------------	-------------
Diluted operating cash inflow per share	**267.1p**	255.4p
	=======	=======

Net cash and cash equivalents- calculated by deducting borrowings from cash and cash equivalents

	2025 £m	2024 £m
Cash and cash equivalents	**70.8**	125.3
Borrowings	**(25.0)**	-
	-------------	-------------
Net cash and cash equivalents	**45.8**	125.3
	=======	=======

Liquidity - calculated by adding cash and cash equivalents to the undrawn amount of the RCF facility

	2025 £m	2024 £m
Cash and cash equivalents	**70.8**	125.3
Undrawn RCF	**75.0**	100.0
	-------------	-------------
Total liquidity	**145.8**	225.3
	=======	=======

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